

**The Development of the Buganda Treasury
and Its Relationship with the British
Protectorate Government 1900 - 1955**

by

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CONTENTS:

Page

Chapter I

An Idea of Taxation and A Treasury in Traditional Buganda	1
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Chapter II

The Creation and Operation of the Buganda Treasury 1900 - 1920	26
-------------------------------------------------------------------------	----

Chapter III

The Protectorate Government Seeks Control Over the Buganda Treasury	71
------------------------------------------------------------------------------	----

Chapter IV

The Auditor Reveals The Real Failure of the Buganda Treasury	117
-----------------------------------------------------------------------	-----

Chapter V

The Buganda Treasury on New Lines ..	157
--------------------------------------	-----

Chapter VI

The Search For Revenue and Less Control	209
-----------------------------------------	-----

Appendix:

Comparative Figures	1-4
---------------------------	-----



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Lastly I also wish to thank all my informants most of whom were really physically weak due to old age, and yet who did not fail to get out of their beds to talk and assist me. In fact before I presented my thesis informants, S. Kulubya, P. Manyangenda and B. Mulyanti passed away and E. Nkooyooyo suffered a severe stroke.

J.C. Ssekamwa.

Preface

The source materials for this study are listed in detail in the references to each chapter and in the bibliography, but it may be helpful to note here some of their limitations. The material between 1945 and 1955 on the then Buganda government is scanty because while I was still working on the files in what was called the New Bulange, then administrative headquarters of the Buganda government, I was prevented from going there by the officials and the place was sealed off in May 1968. All files and other written documents were removed by the Uganda Government and taken to an unknown destination. I hope that when that material is available to the public, it may throw further light on what I have written in chapter six. The Entebbe Archives are a mine of information on the first five chapters giving quite adequate material on what was happening within the Buganda government. The material is largely the correspondence between the Buganda chiefs and officers on one hand and the British on the other. Again chapter six is not based upon information from the Entebbe Archives because material from 1945 onwards is not open to inspection. But I feel confident that the picture which I have painted in chapter six in

the absence of some material from the Buganda government administration and material from the Entebbe Archives from 1945 to 1955, will not change drastically if one uses it in future. That picture is a reversal of what was going on in the Buganda Treasury during the days of S. Kulubya on the part of the Buganda government officers and chiefs and on the part of the British Protectorate officers. One of the most helpful series of documents to give further light on this from the side of the Buganda government, will be the Minutes of the Finance Committee and the Minutes of the Tender Board. In these minutes one also finds useful references to letters written to the Buganda government by the Resident, Buganda and letters to other people with whom the Buganda Treasury was dealing.

Secondly the usefulness of the oral interviews should also be clarified. The relationship of the Buganda Treasury to the British protectorate is really controversial in that most of the chiefs saw British objectives as meant to ruin the semi-independent status of Buganda and those few of them who tried to cooperate whole-heartedly with

the British were looked upon as traitors. Most of the old chiefs whom I interviewed were actually those who were against the British officers or who had been their supporters at first but when Kulubya became so hated, they moved over to the side of the majority. So most of them tended to be biased in favour of opposition to the British believing that the British officers' interference was not intended to assist in the creation of an efficient Buganda government machinery. The following informants were more useful than others in that they had a sharp memory and a critical approach to what both sides were doing: S.Kulubya, B.Mulyanti, E.Nkooyooyo, A.B. Mukwaza, S.Bemba, P.Serumaga, A.Gitta and M.Kugwaanya. All these appear in the appendix under oral interviews. Secondly, those informants who were still in the administrative machinery of the Buganda government in 1966 when the Uganda Revolution took place, were reticent and cautious on being interviewed. They feared to say too much in case the author was an informer. I felt that they were always careful to say only those things that they felt would not put them in trouble. Therefore the best informants

were those who were connected with the Uganda administration up to 1945. I was surprised though to find that most of these people are ailing old men and that if we are to preserve what valuable information they possess we need to mount an immediate campaign to get it.

In view of the material which I could not obtain and in view of the attitude of informants, the last chapter of the thesis is inevitably weaker than its predecessors.

J.C. Ssekamwa.

CHAPTER I

AN IDEA OF TAXATION AND A TREASURY IN TRADITIONAL BUGANDA

Modern research has set the 15th century as the approximate beginning of the Buganda Kingdom.¹ It started as a small kingdom comprising a few counties namely Kyadondo, Busiro and Mawokota. But these counties were larger than the present ones of the same names.² The boundaries of the present counties were set up in 1892 after the religious wars.³ From this small area the kingdom of Buganda became gradually enlarged at the expense of the empire of Bunyoro-Kitara. Some of the causes for Buganda's expansion were the continued rise of able and ambitious Buganda Kings while there was no corresponding rise of similar Kings in Bunyoro. Another reason was the great expanse of the empire of Bunyoro-Kitara which the Banyoro emperors could not defend effectively against the Kiganda state which was compact and moving with effective determination to

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1. M. Poznansky, *The Journal of the Uganda Society*, Volume 30 No.1, 1966, Article entitled *Kingship, Archeology and Historical Myth* P.4.
 2. M.S.M. Kiwanuka, *The Traditional History of the Buganda Kingdom*, - Ph.D. Thesis, University of London 1967, Map showing the growth of Buganda.
 3. J.T.K. Ggomotoka Ssabalangira, *Marezi Ntakke*, White Fathers' Printing Press Bukalasa, 1934, p.58, p.61.

seize land, women and cattle. Then there were succession wars which weakened the empire.⁴ Indeed one could list many reasons. Some of the reasons why Buganda gained ascendancy over Bunyoro-Kitara and even seized much of its area cannot be determined because they must depend on unexplainable situations of human affairs.⁵ By the beginning of the reign of Muteesa I in 1856 Buganda consisted of ten counties,⁶ and tributary states such as certain Loga states, Kooki and some Haya states usually collectively referred to by the Baganda as Kiziba.

The Kabakas collected taxes from the subjects of the Buganda Kingdom and tribute from the subjects of the tributary states. Readers of modern Buganda history may be led to believe that during pre-colonial times the Baganda did not pay tax to their Kabakas because when the Hut Tax was introduced in 1900, converted into Poll Tax in 1909, there was a proverbial evasion of these taxes by the male Baganda. People shared huts to evade tax and when the Hut Tax was made into a poll

4. A.R. Dunbar, A History of Bunyoro-Kitara, OUP, 1967, pp.31-42.

5. N.S.M. Kiwanuka: The Empire of Bunyoro-Kitara. Myth or Reality? Makerere History Paper, No.1, Longmans, 1969.

6. J.F.K. Ggomotoka Usabalangira, pp.71-78.

tax, some young men ran away to Kisumu, Toro, Bunyoro and Busoga.⁷ The explanation however, of this situation wher by some Baganda were inconvenienced by the introduction of the Hut and Poll Taxes was not due to the fact that the Baganda had not been accustomed to paying taxes. Taxes had existed much before 1900 in the Buganda administration. Even during the negotiations leading to the signing of the 1900 Agreement, the Baganda negotiators informed Harry Johnston that he had to leave them some powers to tax the people in Buganda and not give all powers of taxation to the Protectorate Government because their power in the eyes of the people had to be demonstrated by the power to tax. This was part of the Baganda's political philosophy. Johnston wrote to Salisbury, the Colonial Secretary of State justifying why he had left some sources of revenue to the Buganda Government:

The power to rule for the Baganda is closely connected with the power to tax. We must give them these small subsidies lost if we did not, this could cause a terrible up-rising the quelling of which could be very difficult to stop. 8

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7. J.A. Atanda, The Bakopi in the Kingdom of Buganda 1900-1927, Makerere History Seminar Paper, 1969.
 8. Low & Pratt: Buganda and British Overrule. OUP, 1960, p.28.

The reaction of the male Baganda against paying tax early in the colonial era may be explained in economic terms. At this early period there was scarcity of currency. The majority of the Baganda had been accustomed to exchanging goods by barter. Even when the European missionaries, traders and administrators, began to increase in number during the last twenty years of the nineteenth century, exchange of goods for cash did not increase rapidly because they usually paid their labourers in kind and bought commodities from Africans using the barter system.⁹ The practice of using strictly currency began in 1901 when the government introduced the rupee from India as legal tender. In future it became government policy to accept rupees rather than the cowry-shells and goods which had to be sold by the government to get ready cash.¹⁰ The scarcity of currency at this early period of changing over can be guessed from the fact that a man supposed to pay

9. R. Oliver, The Missionary Factor in East Africa Longmans, 1952, Chap.4 Passim.

10. K. Ingham, The Making of Modern Uganda, George Allen and Unwin, 1958, P.99.

a hut tax had to pay just three rupees a year, the equivalent of four and a half shillings. Yet it was not so easy to come by such a small amount of money and some men had to inconvenience themselves doubling up in huts or by moving away. As the growing of cotton became more widespread after the first decade of the 20th century, men gradually became able to meet their financial obligations such as the payment of tax because cotton was sold for currency. Thereafter the tendency of young men to devise methods of avoiding tax eased off by the end of the first two decades of the 20th century.¹¹

Theoretically the Kabakas had to tax their subjects for two reasons. One reason was that they always kept a large entourage at court which they were expected to maintain. Besides this they used to hold frequent banquets called "okugabula Obuganda."¹²

11. J.C. Nsekamwa, Taxation and Treasury in Traditional Buganda. Makerere History Seminar Paper, 1969.

12. Ggenotoka Ssabalangira Ch.9.

These banquets served several important functions in the administration such as sounding political opinion, spying on would-be traitors, especially the chiefs, testing their popularity among their subjects and seeking to win their goodwill. Even today modern protocol demands the holding of banquets as a device for similar purposes. Another reason why the Kabakas required taxes was to secure and hold patronage. By possessing so much goods they were in a strong position to command the services of anybody. Men of ability and ambition would always covet positions in their service and readily come forward to serve them. Hence the saying 'ife basajja ba Kabaka abamulya mu ngalo', meaning "we are the Kabaka's men who get presents or reward from him for doing services for him". It was an honour for a Muganda to be able to serve the Kabaka and enjoy some of his patronage. Indeed patronage increased very much from the days of Kabaka Hawanda in the second half of the 17th century because besides possessing goods the Kabakas were constantly adding conquered areas to Buganda. These areas had to be administered effectively and posts of administration became part of the patronage which the Kabakas had to offer to their supporters of ability.

From this period the Baganda became very acquisitive of every kind of knowledge to be able to impress the Kabakas and so secure service under them. So ingratiating oneself with the Kabaka and even slandering one's colleagues to be able to take their posts became proverbial.

As Buganda became larger, more powerful and more influential, it controlled tributary states. These states were of two types, the first such as some Soga states and Bwera were at times conquered by Buganda but left to rule themselves and the Kabakas satisfied themselves with receiving tribute from them, the second kind such as some Haya states and Kooki sought protection from Buganda against Bunyoro. For its services Buganda received tribute from these states as well. All this was according to the political philosophy that power to rule in the eyes of the people was connected with the power to tax them, so that the Kabakas could get property with which to maintain their large following at court and also to reward those men who came forward to serve them in various capacities.

In Buganda there were broadly four kinds of levies upon the people. There was an obligatory tax collected from each man who owned a homestead and who was married. The amount

of this varied from time and also the unit of payment varied. From the second half of the eighteenth century, bark-cloths together with cowrie-shells came to be the units of payment. As we approach the nineteenth century this obligatory levy began to be paid, perhaps, twice in a year.¹³ But before that century taxes were paid at any time of the year when the Kabaka felt a need for certain kinds of goods.¹⁴

The second type of levy was a kind of excise duty from all men on food crops, cattle, goats, venison, intoxicating drinks and on manufactures such as baskets and carpets. A proportion of all of these were paid in tax. The third type was a kind of customs duty levied on goods such as salt and iron tools bartered on the borders between Buganda and Bunyoro. The fourth kind of levy was paid as an exemption from participating in a war. It had become an obligation - probably from the days of Kabaka Mawanda in the second half of the seventeenth century - for all able-bodied men to fight in war. But

13. Ibid, P. 1 footnote 2.

14. H. Kaizi, Sir H.H. Gwatkin Daudi Chwa II, Uganda Bookshop Press, 1947, pp.127-8.

those who felt that they would rather not risk their lives paid a tax in lieu of military service. The above differentiation in taxes however, is merely the author's. Everything paid to the Kabaka by his subjects and by the subjects of his tributary states was called tax (Omusolo gwa Kabaka).¹⁵

Unmarried men never paid taxes. This was one reason why when the Poll Tax was instituted in 1909 many Baganda felt that it uncustomary and therefore, unfair. Initially a man would start paying Poll Tax at fourteen years of age. It was later changed to eighteen years.¹⁶ But many chiefs did not observe this change and so young boys of between fourteen and eighteen were being taxed while they had no means of earning the rupees, hence their going to places where they could earn them such as to the European plantations in Toro and to Kisumu.¹⁷

The tax in traditional Buganda was paid whenever the Kabaka felt that he needed certain kinds of

15. Kagwa: Empire in Uganda, Uganda Printing and Publishing Co.Ltd., 1928, Chp. 15 Passim,

16. Ibid., P.4 footnote 10.

17. Ibid.. p.5 footnote 11.

goods. So there was no fixed number of times during which the tax could be levied in say one calendar year. Kiwanuka stipulates that it was probably collected twice in a calendar year.¹⁸ This appears unlikely especially before the nineteenth century. A proverb which experts on Luganda consider very old and not having originated in 1900 or after, says that death is as tax, where the Kabaka's men find you is where you pay it, implying that tax was collected at any time of the year and usually unexpectedly.¹⁹ This view is also confirmed by Kaizi, thus:

In the days of yore the Kabaka of Buganda was levying many kinds of taxes in his kingdom; his chiefs collected what he took fancy of at any time of the year - hens, and cocon, sim sim, gourds, white ants etc. Paying taxes in the old days had no fixed time, it arose as the Kabaka felt the need for certain things and then what he needed had to be levied from his kingdom. The regiment which failed to collect enough of what had been asked of it to bring to the Kabaka, was plundered of all its possessions. When the 1900 Buganda Agreement was made, then a fixed tax for each year started for each person supposed to pay tax."²⁰

18. Ibid., p.1., footnote 2.

19. Olumbe Musolo, *we gukusanga w'owu era.*

20. Kaizi, p.127-8.

It is perhaps during the 19th century that we approach a more systematic method of levying taxes and Kwanuka's contention can be maintained that taxes were levied twice in a calendar year. It is also about the 19th century that Mascoe writes:

When the time to collect the taxes was drawing near, the king, the Katikkiro (Prime Minister) and the Kimbugwe (Kabaka's maternal uncle) fixed the exact date, and it was then announced in the council (Lukiiko) that the taxes would be collected on such and such date. The King appointed the special tax collector for each district; to these district collectors, the Katikkiro, the Kimbugwe, the Queen and the King's mother each added their own representatives, and the district chief also added a representative. These six men who were appointed to a district went to each of them, the Principal sub-chiefs were first visited by them in person, but they chose and sent other messengers to each of the less important chiefs. The King's tax-collector and his associates returned to the district chief's enclosure where they were entertained while the work was being carried out by their men. The first thing to be done was to count the houses in each sub-district, and to ascertain the number of the inhabitants; the tax-collector would then settle with each chief what amount he was expected to send to the King. One cowry-shell was brought by the collector's assistants to represent

each house, and after these had been counted, the assistants went back to collect the taxes. The amount usually demanded was a fixed number of bark cloths, 21 and one hundred cowry-shells from each peasant; of the smaller chiefs each paid a number of goats and also a few bees. It frequently took two months or more to collect the taxes, because the bark-cloths and bees had to be made, and the cattle had to be collected. When this was accomplished, each servant took his amount and bark-cloths on the appointed day to the District-Chiefs; the cowry-shells and bark-cloths were counted and tied up in bundles, while the cattle were sent on ahead to travel slowly to the capital. The King's tax-collector took the whole amount to the Katikkiro, who had to examine it, and to hear the details as to the number of houses had people in each sub-district and as to how many barkcloths and cowry-shells and bees collected from them. If the amount was correct the Katikkiro took the whole to the King, if it was wrong, the tax-collector was required to return to the district and to gather what was missing, according to instructions which he received from the Katikkiro. The chief of a district received a portion of the taxes for himself and for his sub-chiefs; the King took half for himself, while the Katikkiro, the Kimbugwe, the queen, and the King's Mother also had their portions. Each sub-chief was given a small portion of the amount which came from his own district; the king, the Queen, the Queen Mother, the Katikkiro and the Kimbugwe kept the whole of what came from their own estates, in addition to the portion which they received of the taxes from the entire country. The tributary

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21. Bark cloths were invented in mid 18th century,
See Kakooza, Obukomasi mu Buganda, E.A. Literature
Bureau, 1950, P.5.

states paid their tribute through the chiefs under whom they were placed, making their payments in cattle, slaves, ivory, salt, hoes etc.²²

From Roscoe's account it seems that by the 19th century at least, the collection of taxes had reached a high standard of efficiency and that both the people at the top and the collectors were keen on seeing that taxes were collected and that they reached the Kabaka. It is also obvious that the Baganda had a keen sense of arithmetic. If the thousands of those who had to pay the tax paid in a hundred cowry-shells each, there must have been plenty of these cowry-shells by the time the peasants liable to pay tax had all done so. Then the number of cattle, goats and bark-cloths was also very great. Yet the collectors and the Katikkiro finally were able to count all the amount and to find what was still wanting if it had not been all paid. The Baganda interestingly enough could count to a million. But the development of these numbers especially from 10,000 onwards was only necessary for counting the Kabaka's revenue. These numbers do not seem to have been developed to cope with proceeds from internal and external trade. Kagwa seems to imply that due to the constant warfare from which the Baganda got much booty, there was not

22. J. Roscoe, The Baganda, MacMillan and Co.Ltd., 1911, pp.244-245.

much need to trade in Buganda.²³ The accumulation of personal wealth by a single person was not such as to require of this magnitude in view of the "socialistic" philosophy which required the wealthy chiefs to spend their wealth on feasting and otherwise catering to their followers.²⁴

Securing tribute from tributary states however, was not as easy an affair sometimes as has been stated by Roscoe. The chiefs in the tributary states might refuse to hand over tribute to the Kabaka's messengers. In such cases the messengers returned and reported the situation to the Kabaka. The Kabaka then would have to extract tribute by force of arms. At times even if he did send an army to force payment, his men might be defeated. In this case he would get no taxes at all from the tributary state for the time being. He would have to try again with a stronger force.

This was very much the case with the autonomous chiefs in Busoga. Many battles were fought following the demand for tribute. Sometimes the Busoga chiefs refused to hand over tribute and the Kabaka had to send

23. Kagwa: Empire of Uganda 1905 Chp. 15 Passim.

Ibid.; p.9, footnote 15.

24. Ggomotoka Ssabalangira, Chp.4 Passim.

a punitive force to extract the taxes. But on occasions his forces were too weak to defeat the Basoga. And they had to go back without the tribute.²⁵ This reflects the fact that the tributary states were not always controlled effectively by the Kabakas.

Besides taxes and tribute a second source of the Kabakas' revenues was the portion of the booty obtained in wars. Buganda used to fight numerous wars with her neighbours especially Bunyoro-Kitara and many times from the second half of the seventeenth century her soldiers were often successful and they brought home much booty of women, men, animals and other things. The Kabakas claimed a large share of such war spoils.

A third source of revenue were the fines which were imposed on chiefs for failing in their administrative duties. This source of revenue continued even to during colonial times. In the old days it was one of the useful arrangements for checking slackness and dereliction of duty. A fourth source of revenue was the gifts which the subjects of the Kabaka offered him. They offered large presents either from deference or from the desire to gain

25. Ibid., p.1, footnote 2.

the Kabaka's favour so that when chiefships were being distributed they might be considered. Gifts were also obtained from the kings of Bunyoro-Kitara and Ankele to promote diplomatic friendships.²⁶ All taxes, tribute, booty, fines and gifts together comprised the Kabakas' riches or revenue which assisted them to govern the Kingdom of Buganda. They used part of this revenue in their palaces to support their large entourage.

According to Sir Apolo Kagwa the riches of the Kabakas were in many different units. First there were small discs made out of ivory called "busanga." As time went on and ivory became more difficult to get these were replaced with cowry-shells. Goats, cattle, bark-cloths, salt, white ants, fish, sisim, hoes, baskets, men and women slaves, all could be given to the Kabakas as taxes, fines, booty, gifts, and as tribute.²⁷

By the nature of the magnitude of the royal possessions they could not be used up as soon as they reached the palace, and since they were meant to enable the Kabaka to be the richest and most powerful in the land there had to be some accumulation of them. This

26. Ibid., p.9, footnote 15.

27. Ibid., p.9, footnote 15.

necessitated a kind of store from which they could be withdrawn gradually as need arose to maintain the Kabakas' retinue and to reward those men who came forward to serve them.

But equally misleading as the impression one gets by the negative reaction of the people caused by the introduction of taxes from 1900, is the prominence of the Buganda Treasury that it got from that date onwards by the Buganda Agreement. One tends to think that it was as prominent a department in the pre-colonial era as we see it after 1900. The Treasury then was concerned with storing the Kabaka's property that found its way in it and in dispensing it according to the wishes of the Kabaka. It did not have administrative powers which it assumed after 1900.

Kagwa says that from time hard to remember all the possessions of an individual Kabaka arising from the above proceeds were kept by his Katikkiro (Prime Minister) in some of his houses called *Ngwanika ly' Inkuluse* (the Kabaka's Treasury). The Katikkiro also was responsible for the numerous cattle of the Kabaka. The Katikkiro acted as the Kabaka's treasurer and some of the houses in his enclosure were used as the *Ngwanika*

ly'Enkuluze. This was the reason why the post of treasurer in the administrative system was not prominent, it was just one of several important duties of the highest chief in the land, the prime minister.

Kagwa maintains that this practice of keeping the Kabaka's possessions under the care of the Katikkiro and the Katikkiro's being the treasurer as well as Prime Minister was changed under Kabaka Sunna II who ruled around 1835-1856²⁸ because his Katikkiro, Kayiira liberally used the possessions of the Kabaka for his own uses. Sunna II moved the Eggwanika ly'Enkuluze (Kabaka's treasury) into his palace and appointed a treasurer to look after it and to dispense the goods therein when asked to do so. From that time onward oral tradition and literature of the earliest period talk about the Eggwanika ly'Enkuluze as being inside the Lubiri or palace.²⁹ Yet it did not evolve into an important post of an administrative nature.

Kayiira was a prime minister to both Kabaka Sunna II, and for a number of years to Muteesa I. Sunna II sought to weaken him by releasing him of his post

28. Chronology prepared by M.S.M. Kiwanuka, Dept. of History Makerere,

29. H. Mukasa, Simudda Nnyuma. London Society For Promoting Christian Knowledge, 1938, Zimbe, Abaganda ne Kabaka Passia.

as Omuwanika (treasurer). But Kayiira remained very strong. Indeed Suuna II must have been aware of the power which Kayiira wielded and so feared him, because we see that at his death, Suuna had left a possible successor to him in his son called Kiyimba. But through the machinations of Kayiira and of the other prominent chiefs, Muteesa who was a weakling as a young man, was put onto the throne at the disappointment of the supporters of the possible successor and at the surprise of the country at large.³⁰ By the fact that Kayiira had so many followers he had to have patronage. So besides the positions of power that he was giving them, he might have been also liberally giving them goods as well from the Kabaka's treasury. During Muteesa I's reign Kayiira was a very powerful and influential Katikkiro again. He became a possible danger to Muteesa's throne because he placed his own supporters in key posts all over the country who would do whatever he bade them. Frightened by rumours of Kayiira's opponents, that he wanted to take over the Kingdom Muteesa I overthrew

30. Kagwa, Ekitabo kya Bassekabaka, Uganda Printing and Publishing Co. Ltd, pp.109-139.

him after a struggle and replaced him by Kisomose as Katikiro. Muteesa however later regretted this mistake.³¹

The next development of the "Eggwanika ly'Enkuluze" came during the long reign of Muteesa I, necessitated by his possession of foreign goods and especially guns. A more strict watch over the treasury was required because if guns were seized they might easily have been used against the Kabaka himself. The title of Kuluggi (Sergeant-at-arms) was created and the bearer was charged with the guarding of the Kabaka's guns together with other property in the Eggwanika ly'Enkuluze. Kuluggi had several men below him called "Abawanika Abate" (assistant treasurers). For example Apolo Kagwa started as "Omuwanika Omuto" in the Eggwanika ly'Enkuluze and became chief treasurer during the days of Mwanga from 1887. Kuluggi became very influential during the days of Muteesa I and literature about this time shows that he could get whatever he wanted from the Kabaka, and that he was even the one who ushered visitors into the Kabaka's sitting room.³²

31. Ibid., p.1, footnote 2.

32. H. Mukasa, Passim.

Kimbe, Passim.

The next development of the Buganda Treasury during the nineteenth century took place in 1867 under Kabaka Mwanga. In his drive to promote his own faithful younger chiefs to confound the old chiefs, Mwanga created four regiments (Kitongole). One of these was the 'Kitongole eky'Eggwanika, and as Rowe says:

A year after the persecution, the Kabaka stripped the older chiefs of their firearms and gave them to the young men whom he established in a number of new chieftaincies. These were set up specifically for the generation of pages who were now leaving the palaces and graduating to administrative office. To these new offices they transferred wholesale the departmental organisation and loyalties created over the years of service as pages. Thus the protestant pages of the royal storehouse became part of an expanded chiefship, the 'Eggwanika' (named after the storehouse which they continued to control) under the leadership of Apolo Kagwa.³³

Kagwa had been assistant treasurer in the Eggwanika ly'Enkuluse in the palace. Now he left the palace and set up the headquarters of the Ekitongole ky'Eggwanika at Mutundwe and he was then called the treasurer of the outside.³⁴ as opposed to the treasurer who was in the palace and responsible as of old, for

33. J.A. Rowe, *The Buganda Revolutionaries*, Makerere History Seminar Paper, 1969.

34. Kimbe, *Buganda ne Kabaka*, Ch.20.

the dispensing of the Kabaka's possessions as required. Several knowledgeable and elderly men said that the "Kitongole ky'Eggwanika" was responsible for seeing that all the Kabaka's taxes were collected and it was this "Kitongole" that took the collections to the palaces to be stored in the Ggwanika ly'Eakuluse.³⁵ This development, had it gone on for a long period, would have perhaps helped to perfect the collection of revenue from the country, because the duties of the "Kitongole" 'ky'Eggwanika would have been concentrated on seeing that taxes were collected and that they were brought to the palace. It seems that the members of this regiment together with those of the three others created by Mwanga in 1887 went about their duties with determination and ruthlessness, so that they earned a very bad reputation and were nicknamed 'Abapere', that is "men who ride roughshod over every established custom of decency and orderliness."

Howe says:

These four new organizations were unlike any previous chiefships in Buganda. They were composed entirely of young men.

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35. O.I. Gita ex-Omulamuzi, 28.8.1969
S.Kulubya ex-Omuwanika, 5.4.1968
S.K.Njuki ex-Kaggo, 26.8.1969.

adhering to the new religions and they swelled in size as co-religionists flocked to join leaders of their respective faiths. Their headquarters were strategically placed near the Capital, but they were granted rights to lands throughout the kingdom. Armed with rifles and muskets, they were given licence to parade and pillage throughout the land, terrorising in particular the older chiefs and traditional authorities. The country groaned under this new oppression, but Kabaka Mwanga at last felt free to exercise his authority without restraint.³⁶

When the colonial Buganda Treasury was set up in 1900, it over-shadowed the old *Eggwanika ly'Enkuluze* which had not differentiated, between the revenue used for state matters and the Kabaka's personal property. The New Buganda Treasury was intended for storing and looking after the revenue that was to be spent on the services of running the kingdom. The Kabaka's salary was to be paid by the Protectorate government and it was this money together with the proceeds from his personal possessions and gifts that had to go into the *Eggwanika ly'Enkuluze*.³⁷ So the 1900 Buganda Agreement left the old *Eggwanika ly'Enkuluze* for the personal use of the Kabaka. But it was obscured by the new Buganda Treasury with its important minister who was one of the three most prominent ministers in the kingdom.

36. J.A. Rowe.

37. The Uganda Agreement 1900, article 4.

The Ekwwanika ly'Enkuluse rose from obscurity only in 1916 when the Protectorate government advised the Buganda government to reorganize the financial affairs of the Kabaka who opened a bank account for his money in the Standard Bank of South Africa. Then an Omwanika w'Enkuluse was selected and paid by the Buganda Government to look after the Ekwwanika ly'Enkuluse.³⁸ Again the Ekwwanika ly'Enkuluse assumed the same unimportant status it had when Bunna II moved it into the palace in the early 19th century.

One of the things that is absent in the oral literature put down by Kagwa about the Kabaka's treasury in the scrutiny taken about the Kabaka's riches once they got into that treasury. It seems that some of these riches were easily expended for it was so hard to keep the memory of so much things as there was no writing them, and Kayiira above must have been too extravagant in using some of these riches to be found out. Kagwa in Episa sa Buganda implicitly confirms this view that it was hard to account for all the revenue

38. Buganda Annual Report 1916.

of the Kabaka and he quotes to this effect the proverb which translated in English implies that that if you are collecting too much revenue or keeping it you can even use part of it without fear of being found out.³⁹ As we shall see later this idea was hard to fight against when a modern treasury was set up.

39. Ibid., p.9 footnote 15.

"Guno musolo gwa Nswa, obolooza bw'olyako."

CHAPTER II

THE CREATION AND OPERATION OF THE BUGANDA TREASURY

- 1900 TO 1920

The preceding chapter has given some idea of taxation and other revenue sources in the Kingdom of Buganda before Britain took over effective administration from 1900, though the Protectorate had been declared in 1894.¹ Since the proceeds of the tax revenues that reached the Kabaka in those days were not consumed or used as soon as they reached him, it was necessary to set up a store or a treasury first in the Katikkiro's enclosure but later on during the reign of Suuna II (1825 - 1856)² in the palace of the Kabaka from where it might be drawn upon gradually for official and for the Kabaka's personal use.³

Sir Harry Johnston arrived in December 1899 to

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1. London Gazette, June 19, 1894. K. Ingham, The Making of Modern Uganda, George Allen and Unwin, 1958, p.62.
 2. M.S.M. Kiwanuka, The Traditional History of the Buganda Kingdom, Ph.D.Thesis, University of London, 1967.
 3. Kaswa. Empisa za Buganda, Uganda Printing and Publishing Co., Ltd., 1918, Ch. 15, p.166.

set up a clear basis on which the British government would run Uganda and started by conciliating the chiefs of the Buganda government. This was understandable because to extract concessions from the Buganda chiefs—who were shrewd bargainers—Johnston believed it necessary to put them in a good mood first. After giving them freehold land titles and recognizing the special place of the Kabaka and his council, the Lukiiko, he then went ahead to extract some concessions. One of these was their acceptance that Buganda should be called a province within Uganda and a second that Buganda cease to demand or receive tribute from the former tributary states.

Johnston then went on to set up the Buganda government on new lines. He recognized three ministers who were at the same time to act as Regents of Daudi the Kabaka, during his minority. He apportioned different duties to these ministers. The prime minister or the Katikikiro was the head of the Buganda government. The chief justice or the Omulamuzi was responsible for the laws of the kingdom while the Treasurer or the Omuwanika was the person responsible for the kingdom's

revenues. Thus in Johnston's own words:

To assist the Kabaka of Buganda in the government of his people he shall be allowed to appoint three native officers of state with the sanction and approval of Her Majesty's representative in Uganda (without whose sanction such appointments shall not be valid) - a Prime Minister, otherwise known as Katikkiro, a Chief Justice, and a treasurer or Controller of the Kabaka's revenues.⁴

In the above article was envisaged the inception of the Buganda Treasury on modern lines. Thus Johnston set up a Treasury presided over by a Treasurer. There were at least two reasons for setting up a Buganda Treasury. One was that Johnston knew that as he had left the Kingdom of Buganda to administer some services, such as maintaining the roads of the kingdom it had to have sources of revenue for running those services and that revenue once collected should be kept in a Treasury under the responsibility of some one. Secondly a peaceful establishment of an effective British administration over Uganda relied very much on the appeasement of the Baganda collaborators whom he gave power to rule Buganda. They knew that "power in Buganda was connected with and consisted in levying taxes or

4. Uganda Agreement, Article 20.

tribute",⁵ so he had to show to these collaborating chiefs that they would have power to tax by instituting a treasurer as one of the key figures in the new administration who would look after the finances that would be collected to run the services which were left under the supervision of the kingdom.

But when the Buganda Treasury was formed in 1900, it was a different body altogether from the Kiganda treasury which had existed during the days before Britain took over the controls of the kingdom, though of course it still remained as a store for some of the kingdom's revenues. The new Treasury was not a beneficiary of the Kabaka on which he could draw at will for personal expenses, to reward his chiefs for service and to give aggrandisement to his friends. The Protectorate government was the one which paid the salaries of the Kabaka, of the three Regents and of his Saza Chiefs.⁶ The new Treasury was the custodian of the kingdom's revenue to be spent strictly on the work of running services in

5. Johnston to Salisbury, 24 Dec. 189, F.O./2/204

Also source quoted in Low & Pratt, Buganda and British Overrule, O.U.P., 1960, p.28 footnote 1.

6. The Uganda Agreement, 1900 Article 6 and 9. Also the Uganda payment to Chiefs Agreement 1908, Uganda Gazette, October, 1908.

the Buganda government and for paying minor officials such as miruka chiefs and policemen.

Secondly the new Treasury was headed by a Minister. This man, though he was to be appointed by the Kabaka,⁷ was less under the control of the Kabaka than of old. He was subject to the British government which could accept his nomination for appointment by the Kabaka or refuse it, and the Protectorate government could force his resignation if his services were not satisfactory. If he performed his duty well he was likely to hold the post for a long time. In addition the contents of the Buganda Treasury were on the way to being changed. They were soon no longer going to be in the form of goods such as bark-cloths, goats, cows, women, ivory, white ants, simsim and the like and in cowry-shells but in rupees. By the early 1920's rupees would give place to shillings. Books of account had to be set up to record the money that entered into the treasury and left it, under headings of revenue and expenditure, to try to keep a record

7. The Uganda Agreement 1900, Article 10.

so that its whereabouts could be traced easily and so that expenditure could be made according to the amount that could be read off from the books. Therefore when the 1900 Buganda Agreement was made and accorded the Buganda Government a treasury, that treasury was quite a new institution in organization and responsibilities. However as far as the people were concerned, old ideas about the nature of the treasury remained. One of these ideas was that it was a place where the Buganda Government kept its revenues and from which the Kabaka, though still a minor, drew freely. The second idea that remained about the new Treasury and connecting it with the past was that it was the visible sign of the government's power to rule.

Serwano Kulubya, who was Omuwanika or the Treasurer of the Buganda Treasury, from 1928 to 1945 said that early in 1900 a small house had been hurriedly built at the entrance of the Lubiri. It was to that small house that the Saza Chiefs from the counties weekly brought the collections and handed them to an officer of the Buganda Treasury who for a lengthy period was Manyangenda. This house was literally called the "Government" because it was the visible sign of Buganda's power.⁸

8. O.I. Serwano Kulubya (now passed away) 5.4.1968.

Even Sir Harry Johnston said in his despatch to Lord Salisbury, Minister for Foreign Affairs then, "Power in Buganda was connected with and it consisted in levying taxes or tribute."⁹ So the existence of the Buganda Treasury in the new set up of government in Buganda reminded the people only too well that taxes would continue as of old and that the power of Buganda had not been taken over by the British.

The sources that brought revenue to the Buganda Treasury were of a very limited nature. They did not constitute the chief taxes for the people which were the Hut Tax to be paid by every male owner of a hut and the Gun Tax from gun-owners. The revenue from both of these taxes went to the Protectorate government.¹⁰ In fact Johnston had been sent to make an agreement because the British Government hoped that by doing so he would devise a way of making the Buganda contribute

9. Johnston to Salisbury, 24 Dec. 1899 F.O/2/204.

10. Uganda Agreement 1900, Article 4. Instructions re Collection of Poll Tax by Chiefs in the Kingdom of Buganda, printed at Govt. press, Entebbe 1911, Now in Main Library, Africana Section, Makerere Univ.

towards the running of the administration. The wars against Kabalega and Mwanga and the suppression of the Sudanese Mutiny had placed a heavy burden on the administration's expenses. Protectorate government expenditure rose from £89,000 in 1897 to £339,000 in 1898-9 and to £397,000 in 1899-1900.¹¹ In comparison Portal in 1893 on making recommendations for the taking over of Uganda had optimistically said that the costs of administration would be £20,000.¹² So the Buganda Treasury was deprived of one of the key sources of revenue. The sources from which it would get money would be market dues, court fees and court fines and fees for the installation of chiefs. Johnston realized that this was a very light form of taxation and judging from the nature of the economy of the time, these levies would bring in very little revenue. The cash economy was not yet developed by 1900. Exchange by barter was still the chief means of exchange and currency was really very scarce. Therefore he wanted to appease the Buganda chiefs lest they made a row over so small a taxing power by proposing to give to the Buganda government a rebate of 10% from the revenue from the Hut and Gun tax collected in Buganda, which would

11. K. Ingham, The Making of Modern Uganda, George Allen and Unwin 1957, P.86.

12. Low & Pratt, Buganda and British Overrule, O.U.P. 1960, P.12.

be used to pay for the salaries of the Kabaka, Regents and Sasa chiefs.¹³ The reason which he gave to Salisbury for this concession was in his own words:

We cannot take away from the King and Chiefs of (B) Uganda the right to tax their people and the right to deal with unoccupied land without compensation. To do so could provoke a native rising, the quelling of which would be infinitely more expensive than the granting of these moderate subsidies.¹⁴

This rebate however was not to go into the Buganda Treasury. It was to be administered by the Protectorate Treasury and at the end of the month that Treasury would send the salaries of the Kabaka and chiefs through the British district officers.

However the sources of revenue for the Buganda Treasury, few as they were at the beginning, were bound to increase as the administration and economy grew. As the economy developed the sources would produce more revenue because there would be more Buganda and settlers in Buganda potentially able to pay them. Also, as the administration grew it would find more sources of revenue.

13. The Hut Tax and Gun Tax were collected by the Buganda Chiefs and the revenue passed over to the Protectorate government. The Rebate from the Hut Tax (later Poll Tax) increased over the years. By 1930 it was 20% from 1946, 25%.

14. Johnston to Salisbury 24 Dec. 1899 F.O. 2/204. Quoted by Low & Pratt, p.18, footnote 1.

These named above were merely the obvious ones, such as account fees and fines, market dues and chiefly installation fees which were already in existence before the British take-over.

Johnston was concerned with laying down the broad base on which both the Protectorate Government and the Buganda administration would operate for the time being. Especially he was anxious to see the new arrangements operating so that the British Treasury might be aided in paying for Uganda's administration. Once the principle was laid down that the Buganda government had a right to tax its subjects, it was easy enough to look for new sources of revenue for that government as the administration progressed and the economy developed.

Now that the Buganda Treasury had been set up it was natural to expect that a list of regulations would be drawn up to ensure that the treasury was properly used. But such regulation were not drawn up under which the Buganda Treasury would function and the Baganda chiefs felt happy at this state of affairs for it really gave them the independence expressed in the 1900 Buganda Agreement. During the time of setting up rules for the Buganda Treasury towards the end of the second decade of the 20th century, there was a complaint by the Protectorate officers that instructions were being given by the Omuwanika

from the Buganda Treasury to the Baza Chiefs about financial matters on routine circulars. In other words the Buganda Treasury was running according to make shift orders that were drawn up by the Omuwanika as need arose to fit the situation. It was often, however, a British principle that things should be left vague to give them room to manoeuvre. So the absence of rules given by them to the Buganda Treasury meant that they could come in any time they felt like it.

Nor was it deemed necessary by Johnston to enter into details of setting up rules along which the duties of the three Buganda Ministries would operate. Johnston was only concerned with laying down the broad outline of the administration. Details were implicitly left to the future British officials. Although articles 4 and 12 of the Uganda Agreement allowed the British government to collect taxes in Buganda, Johnston did not make any regulations to be followed in the collection of the Hut and Gun taxes. The Protectorate officers issued these instructions only in 1911.¹⁵ One reason why he did

15. Instructions re-Collection of Poll Tax by Chiefs in the Kingdom of Buganda printed at the Govt. Press Entebbe 1911. Now in the Main Library, Africana Section, Makerere University.

not bother very much about the finances that would find their way into the Buganda treasury was that they did not involve the Protectorate government. Kulubya and Mulyanti said that the British officials between 1900 and 1920 were more concerned with what directly affected British power.¹⁶ Low and Pratt confirmed this view;

It was felt that as taxes paid by the Baganda went into the central treasury and the salaries of the Kabaka, ministers and chiefs of Buganda, were paid by the Protectorate, then there was little need to increase Government supervision of the expenditure of the very minor Lukiiko funds.¹⁷

In 1900 Uganda was still at the threshold of a money economy. It would take time for the people in Buganda to come into the money economy and be able to pay their obligations to the Buganda Treasury in specie. For about three years from 1900, goats, hens and other things which could be readily converted into cash were accepted by both the Uganda Protectorate Treasury and by the Buganda Treasury in lieu of specie. Kulubya and Mulyanti said that the Buganda Treasury particularly desired he-goats

16. O.I. Kulubya 5.4.1968, O.I. Benweri Mulyanti, Assistant Omuwaniika 1930-1943, 5.4.1968.

17. Low & Pratt, P.224.

because they could be sold for currency to Sikh soldiers of the British Protectorate in Kampala who wanted them very much. Judging from the scanty sources of revenue for the Buganda Treasury, the funds were likely to remain small for a decade or more. Kagwa put the yearly collections from the available revenue sources at about Rs 7650/74 during the first decade of the 20th century.¹⁸ So Johnston did not see the necessity of busying himself in setting up elaborate rules or regulations under which the Buganda Treasury would be managed. He did not either lay down rules for the other two departments, that under the Prime-minister and under the Chief Justice.

Avoidance of tax by many people also lowered the revenues available to the Buganda Treasury. This can be inferred from the accounts of Sir Apolo Kagwa regarding the Hut Tax: several families abandoned their homes at this early period of the Protectorate administration, and lived together in one hut especially during tax collection. The intention was that a number of families might pay one Hut Tax a year of three rupees. Others

18. Correspondence Inward Vol.IV Agents' Letter to Ag. Commissioner 4th March, 1907, Entebbe Archive.

1907-11.

One Rupee was equivalent to 1½ shillings.

who had less at stake on the land used to run away from Buganda to parts of the Eastern Province and Western Province where this tax was not strictly collected. Sometimes indeed these young men went to work on European plantations especially in the Western Region and in Kisumu and so return with cash to pay the tax.¹⁹ If the Protectorate Government tax could be so easily evaded while the chiefs stood to lose their chieftainships if they did not collect all the tax,²⁰ it was also easy to avoid paying the market dues to which less severe penalty was attached. Moreover the charges were very small. For example to sell the meat of a goat in a market, one paid Rs 1/- and Rs 2/50 for selling beef between 1900 and 1920.²¹ Markets for other items were not common outside towns until after World War II. With the scarcity of specie during this time the sales of meat were very slow and one could find area markets where only one cow was slaughtered in a week, usually on Mondays. It was rather the court fees and court fines that constituted the largest and most stable

19. J.C. Ssekamwa, Taxation and Treasury in Buganda before 1900, History Seminar Paper, Department of History, Makerere, 1969.

20. The Uganda Agreement 1900, article 9.

21. Secretariat Minute Paper No.4522, Native Markets, Entebbe Archives.

source of revenue.

The Regents were careful as to how the revenue was collected and spent on government business by them and by the gaza Chiefs in the counties. There were two reasons behind this. One was that in the negotiations with Johnston they had shown that they realized how necessary it was to have finances otherwise the Buganda government would callapse. with the collections from sources left to them, they had to build court houses, pay the police and parish chiefs and buy stationery and furniture for the court houses.²² So if the money from those sources did not reach the Buganda Treasury or once it arrived it was not used properly, difficulties would arise in providing adequate government services. In addition the Regents must have noticed the care and scrutiny exercised by the British officials over the revenue from the Hut and the Gun taxes of the Protectorate collected by the Baganda chiefs from Buganda and then passed to the Uganda Protectorate Treasury. A booklet entitled Instructions Regarding Collection of Poll Tax by Chiefs in the Kingdom of Uganda indicated the procedure in collecting and passing the Poll Tax to the Protectorate

22. Buganda Correspondence Inward Vol. IV Native Court Fees, letter to Sub. Commissioner June, 24, 1904, Entebbe Archives.

officials and the particular care that had to be taken about government money.

The Regents feared that if proper care was not taken it would give the British an excuse to interfere in the financial affairs of the kingdom. For example in 1904 the Chief Justice of Uganda wanted to take away from Buganda the court fees and fines implying that the Buganda government did not need that money. The Regents protested strongly against this move as intended to ruin the Buganda administration.²³ The Regents must have sensed that the British officers would interfere if there was no financial procedure by which they could show to the protectorate officers some way of dealing with the revenue that accrued to the Buganda Treasury and also how that revenue was collected and that it reached the Buganda Treasury and was spent on acceptable items. In fact the issue was raised in 1907 by the Deputy Commissioner at Entebbe who asked the sub-Commissioner of Buganda about the Lukiiko's court fees and court fines. He wanted to know whether expenditure of collections made by gaza chiefs were accounted for to the Lukiiko and whether collections of both gaza

23. Buganda, letters Inwards Vol.IV, letter by the Regents to the Commissioner at Entebbe, 4.3.1904, Entebbe Archives.

chiefs and the Lukiiko could be made open to British inspection if required by the Protectorate administration.²⁴ The implication was that there was suspicion that the revenues that were supposed to accrue to the Buganda Treasury were neither being correctly collected nor being entirely put to public use. The sub-Commissioner replied to the Deput Commissioner as follows:

Saza Chiefs did not formerly render accounts of fees and fines collected to Lukiiko. Some two months ago I raised this question and Lukiiko promised to send orders to all native courts to send in their court books for entry accounts in the Lukiiko court book. Apolo now informs us orders were issued sometime ago that the Lukiiko book be open to inspection.²⁵

Prior to writing this letter the sub-Commissioner wrote to the three Regents asking them about the procedure for collecting fees and court fines and how such revenue was spent. The Regents answered him thus:

Thank you for your letter in which you asked us matter concerning the collections from Court fees and fines every month. After each Saza chiefs monthly collections from those sources, each one sends a part of the collections to the Buganda Treasury and keeps a part thereof in the treasury of the County. In a year we can get about 5000/- Rupees. We use that money to run the following responsibilities:

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24. Buganda correspondence Inward Vol.IV, Regents' letter to Ag. Sub. Commissioner, 4th March 1907 and letter of Sub-Commissioner to Deputy Commissioner, Entebbe Archives.
 25. Buganda Correspondence Inward Vol.IV Letter by Acting Sub-Commissioner, Buganda to Commissioner Entebbe, 12th March, 1907, Entebbe Archives.

1. To pay wages for the Lukiiko's Police.
2. To pay wages for those working in the Buganda Treasury.
3. To pay wages for Lukiiko clerks.
4. To use some of it to buy stationery and other things used in office work.
5. Some of it is used to maintain the Lukiiko house at Mengo Bulange.
6. Some of it is spent on buying things for Kabaka's parties.
7. From it we get stipends to people who arrest malevolent people.
8. From it we also get presents to important chiefs who tour the counties to see the work of the people.
9. Some of it is used to buy food for prisoners.
10. Wages for foremen of roads in the township of Mengo.
11. Also the Saza Chiefs each year spend about Rupees 3500/-, on the works in their counties. We have sent you papers so that you may see how we get all the above.²⁶

This reply of the Regents shows us that there was a careful procedure in dealing with the Buganda Treasury's revenues. But scrutiny of Saza Revenues hardly existed. Saza Chiefs had a large latitude to collect and spend

26. Ibid., p.38, Footnote 26.

money with hardly any inspection by the Buganda Treasury. They tended to be trusted by the Omukwanika as to how much they were collecting and how much they were spending and also how much they were sending to the Buganda Treasury at Mengo. In public financial dealings there needs to be inspection of people who are responsible for collecting and spending public funds however trustworthy they may be thought to be. Therefore the Deputy Commissioner who was accustomed to the British scrutiny about financial affairs, was inclined to know the sort of care which was being taken about the Buganda Treasury funds.

The papers which the Regents sent to the Deputy Commissioner for inspection,²⁷ show that there was an attempt by the Baganda chiefs to write the collections in the counties and in the court at Mengo and how this money was spent. Once they satisfied themselves that the Regents were likely to be running the Kingdom's affairs fairly well, the Protectorate officers left them to their own devices so long as the Poll Tax for the Protectorate was being collected to the desired amount that they had forecast.

27. Buganda Correspondence Inward Vol. IV Papers sent with Regents' letter on 4th March 1907, Entebbe Archives.

But the framing of the financial procedure for collectors and for those at Sasa centres who had to spend some of the funds on public works had it been undertaken, would not have been enough as far as the management of finances in the Buganda Treasury was concerned. These financial regulations would need to go hand in hand with some sort of expert guidance and close scrutiny to make sure that what was envisaged in the regulations was really being followed. For example according to the discussion held by the Kabaka and his three Ministers on one side and the Provincial Commissioner, Buganda on the other about the proposed financial regulations by the Protectorate in 1919, we see that records of revenue and expenditure were never recorded to give meaning to the framing of estimates.²⁸ Estimates were hardly drawn up let alone supplementary estimates. And so expenditure was never carried on with a view of keeping within the estimates which indeed were non-existent. Formal budgets started in 1927 after sharp criticism from the public between 1920 and 1926. Before that time there were no budgets. The Omukwanika and his assistants knew that

28. Secretariat Minute Paper No.5524, Entebbe Archives.

money had to be collected from the various revenue sources and that it had to be spent on the items seen above. Money was provided out of the Treasury as each need occurred. There was no prior forecast as to how much each source was likely to bring in or how much money would come in when all the sources had been tapped. Neither was there prior arrangements for apportioning sums of money for each category on which money had to be spent. All the collections were taken as belonging to the Buganda Treasury and therefore all were entitled to be called upon for all government work without the need to apportion for each item on which money had to be spent. Kulubya and Mulyanti who worked in the Buganda Treasury during the period when the British officers had stepped in to force their system on the Buganda Treasury 1928-1945, said that especially during the first two decades of the 20th century, when a Baza Chief came to Mengo demanding money for services in his county and the money happened not to be in the safe, he was told to wait until other chiefs brought in collections; after a few days, when the collections came in he got the money and went away with it.²⁹ The lack of estimates and supplementary estimates was due to the fact that the amount of money was always small and it was spent as soon as it came in. For example it was not thought necessary to open a bank account for the

29. Ibid., p.37, footnote 16.

Buganda Treasury money until 1917. This shows that up to that time there was hardly money which needed to be banked after expenditure.

Indeed the absence during this period of this kind of expert procedure in the Buganda Treasury and in the sections with which a treasury must be closely connected could not be blamed too much on the Omuwanika and his two colleagues. They had no financial experience in the modern sense. They tended to trust "big men" in the establishment such as the Baza Chiefs. Also down the ladder, the chiefs trusted the people who worked for them so long as they felt that there was no evidence to doubt their honesty. However, though it is good business to have budgets, estimates and supplementary estimates, this does not make the handling of finances any more moral than the absence of them. So since the Buganda government felt that all the revenue collected was being usefully spent, it felt that it could dispense with the above formality. The Protectorate officers left the three Regents to deal with the financial affairs the best they could and indeed this went further to strengthen the autonomous position of Buganda accorded to it by the 1900 Buganda Agreement. Moreover the Protectorate administration was short of

personnel and it tended to leave Mengo alone. Once they felt that the general machinery was working well and there was no conflict in that government, the British officers hoped that things were working well. Moreover the doctrine of Indirect Rule was felt to be operating satisfactorily in Buganda. Low and Pratt wrote;

Throughout this period the Protectorate officers continued to supervise the internal administration of Buganda only very loosely. Two important examples confirm this. In 1909, when the system of lower chiefs was formalised, no attempt was made to influence appointments. Similarly, the expenditure of Lukiiko funds derived from court fees, fines and licences was completely unsupervised. The Buganda government was fulfilling its obligations and was cooperating with the policies felt to be important by the Protectorate. Therefore it could be and was left to its own devices in its internal organisation.³⁰

Though financial matters were indeed of a new nature in Buganda political affairs, the Regents definitely knew the sources of revenue left to them, how much revenue they were capable of yielding and on what to spend that revenue to help the efficient running of the Buganda government.³¹ So Interference from the Protectorate officers was uncalled for.

We must however realise that there was a clash between British values and the kingdom values as regarded

30. Low & Pratt, P.199

31. Ibid., P.42, footnote 24.

the revenue. The collectors and the keepers of this revenue in the old days all voluntarily or involuntarily helped themselves to it as a matter of course; many times this was the way they were compensated for helping to run the administration. Hence the proverb which implies that once you are engaged in collecting so much revenue or in storing it you can easily help yourself on some of it since it is hard for some one to find out that you have done so.³² This idea could not be expected to die at once in the modern times of a newly-created Buganda Treasury. So there needed to be a man in the Buganda Treasury who should check against the old way of dealing with public funds. This was the feeling of some Protectorate government officers. Their feelings were perhaps better expressed by Governor Sir Charles Dundas who said in 1941 thus:

It is only natural that finance as a new concept in African society should present the greatest problem and because of its novelty, it must lag behind other more familiar functions of the Native administrations.³³

But from the point of view of the Mengo administration it was unwarranted interference by the Protectorate officers. If Buganda worked under an agreement

32. Kagwa, p.164.

33. Sir Charles Dundas, Native Administration in Uganda, Govt. Press, Entebbe, 1941, pp.3-4.

which treated it as an independent body, the Regents saw no reason why the Protectorate officers should interfere with the way they were spending their revenue. Moreover they were as much concerned perhaps as the Protectorate government officers to see that the government machinery of the Buganda kingdom was running smoothly. So they could not neglect the revenue that helped it to do so. Kagwa had already told the sub-Commission, Buganda who was trying to interfere with the Buganda revenue. "Saza chiefs did not formerly render accounts of fees and fines collected to Lukiiko." Kagwa and the Omwanika, Z. Kisingiri did not seem perturbed by the situation because they trusted their chiefs in the counties who were supposedly spending the revenue collected responsibly in government service and sending the rest to Mengo. Especially before the colonial era, Saza Chiefs were looked upon as responsible chiefs and quite trusted in the way they were carrying on the duties of the administration, now there was no reason why the three Regents should not trust them and even leave them to spend some of the revenue without scrutiny from Mengo so long as it was evident that the duties of the administration were being fulfilled. Moreover the amount of money spent by each Saza Chief was so small that it would have cost more than it was worth to keep

a careful scrutiny over it. The Regents indeed loathed this interference by the Protectorate officers and thought of it as unnecessary.

These officers on the other hand felt that the 1900 Buganda Agreement gave plenty of freedom to the Buganda Government Ministers to handle the internal affairs of Buganda with less interference from the Protectorate officers, and they hated it. One Postlethwaite thus wrote in 1911 when he was working in the District offices at Mengo;

I felt at the time, rightly or wrongly, that we had no definite native policy in Buganda. At every corner we ran up against the Uganda Agreement and the powers of self-determination which that treaty had conferred upon the Baganda. "We appeared to be ternally giving orders which were obeyed or not, at the sweet will of the Buganda Native Government, the entire virtual authority of which was rested in the Katikire Sir Apolo Kagwa.³⁴

In 1916 the Uganda Protectorate Auditor also wished to supervise the revenue that accrued to the Uganda Treasury.

He said:

34. J.P.R. Postlethwaite, I look Back, T.U. Boardman and Co.Ltd. London 1947, p.42.

I am of opinion that the time has come when our joint responsibility in the matter of accounting for the administrative and other fines imposed by the Native Lukiiko should be decided on for the following reason, unless supervision is exercised by us over the disbursement of the funds so collected, abuse might easily occur.³⁵

While some wanted to interfere in the financial affairs of Buganda, others were reluctant to do so basing their stand on the Buganda Agreement of 1900. Views of the Protectorate Officers differed. The Provincial Commissioner, Buganda replied to the above letter to the Chief Secretary of State at Entebbe thus:

In reply to your memorandum 4859 of 12.3.16, I have the honour to inform you that the Auditor's Memorandum would not appear to me to refer to Lukiiko funds sanctioned under authorized agreements such as the Lukiiko Funds of this province (Buganda). No supervision has ever been exercised over the Lukiiko accounts of Buganda. The Uganda Agreement 1900 appears tacitly to recognize the Lukiiko's independence in the matter, by the appointment of the Omuwanika and I do not think it would be either necessary or advisable to audit the Lukiiko revenues which apparently for many years have been administered by the

35. Secretariat Minute Paper No.7790 II, Memorandum 4859, 12 August 1916, Entebbe Archives.

native government with success.³⁶

The Chief Secretary answered the Provincial Commissioner thus:

I am of the opinion that no responsibility in the matter of accounting for the administration and other fines imposed by the Native Lukiiko rest with either the Treasurer or the Auditor as matters stand. If it is decided at a later period by the Lukiiko that the accounts should be audited, I presume they will appoint their own auditor.³⁷

The letters of both the Chief Secretary and of the Provincial Commissioner, Buganda reveal the feelings of some of the Protectorate officers who were in charge of Buganda at this time. Some of these officers felt that the financial affairs which were left in the responsibility of the Buganda Treasury were being run adequately. Others seeing that the amount of revenue accruing to the Buganda treasury was increasing loathed not having a hand in managing it. The relevant refusal of the Chief Secretary and of the Provincial Commissioner

36. Secretariat Minute Paper No. 7790 II, letter of the of the 18th August, 1916, Entebbe Archives.

37. Ibid., footnote 36.

reflected the traditional trust in the ability of the Baganda to manage their political affairs, and the respect of the 1900 Buganda Agreement and so the Auditor's suggestion was ignored.

Interference by the Protectorate Officers came after Daudi Chwa II became of age and took up his official duties as the Kabaka in 1914. There was confusion as to what would be the new role of the three Ministers who then ceased to be Regents. From 1900 Kagwa tended to interfere in the duties of the Omulanzuzi, and to a lesser extent into those of the Omuwaniika. The Protectorate government stepped in, in 1916, and laid down what each Minister should then do. Essentially each one was told to stay in his ministry and carry on his duties there without interfering in the duties of his colleague as had been the practice during the minority of the Kabaka.³⁸ But apart from this, the Protectorate Officers did not scrutinise the internal operations of the ministries. Each Minister introduced sections in his department to cope up with the work more efficiently and each also tried to employ clerks produced

38. Buganda Annual Report 1916-17, and Secretariat Minute Paper No.5524, Entebbe Archives.

by either Budo or Rubaga schools.

As far as the Buganda Treasury was concerned, a further step was taken in its efficient management by the Lukiiko deciding in 1917 to open up a bank account with the Standard Bank of South Africa for the safe keeping of the Lukiiko Funds managed by the Buganda Treasury. The Provincial Commissioner, Buganda reports in his Annual Report of 1917:

A proposal was made on the initiative of the Lukiiko through the Omuwanika to place all Lukiiko funds in the Standard Bank to operate upon them in the same way as last year the Kabaka's private revenue was arranged for. Such a proposal showed a marked advance in the view of the chiefs and is one on which they are heartily to be congratulated.³⁹

This statement again confirmed the view that the Provincial Commissioner Buganda felt that the Buganda chiefs were doing their work responsibly and with considerable efficiency and so there was little need to interfere with their affairs as the Protectorate government auditor had been suggesting in 1916.

The three Ministers, though determined to be masters in their own house, were not averse to getting advice which they deemed could help them run their financial affairs better. So after opening an account in the Standard Bank they invited the Protectorate

government Auditor to give them some financial advice. He advised them that they should set up some auditing system when their accounts reached a certain stage. It was not thought necessary to start this yet, probably because it was thought that the Buganda Treasury was handling still very little money and the Buganda Treasury was handling it with "success" as the Provincial Commissioner, Buganda had said above. It seems the Ministers did not think that the auditing was needed, for we do not see it considered during this time.⁴⁰

However the Auditor of the Protectorate government still felt that the Buganda finances were not being handled with "success" and he did not himself have as much reverence for the autonomy given Buganda by the 1900 Uganda Agreement, as the officers directly concerned with Buganda.⁴¹ But we can realize why he thought so. He was responsible for checking the accounts of other Provinces and he did not see why he should not add Buganda to his empire.

40. Secretariat Minute Paper No.7790 II, Lukiiko Funds, Entebbe Archives.

41. Secretarial Minute Paper No.7790, II, Letter of Auditor Uganda, to Colonial Audit Department London, of the 13th Nov. 1916, Entebbe Archives.

The next interest in the Buganda Treasury from the Protectorate government officers came immediately after the death of the Omwanika, Zakaria Kisingiri in October, 1917. Yet the interest was not intended to appoint a man who would run the Buganda Treasury and its allied bodies more efficiently, rather it was centred on the issue as to who would give all round advice to the Kabaka. There had been a wrangle from 1914 between Kagwa supported by Kisingiri and the Kabaka supported by Mugwanya. This was a struggle for power between Kagwa and the young Kabaka, Daudi Chwa II. Kagwa had been used to directing things as he saw fit during the minority of Daudi. Now that the latter had come into his own this could not be so any more. Yet Kagwa pretended to see no change in the political situation in Daudi's assumption of power; he naturally looked at Daudi as inexperienced and expected to continue directing things. Kisingiri supported him while Mugwanya supported Daudi. When Kisingiri died, Sturrock, the Provincial Commissioner, Buganda, wanted to find a man who would give sound advice to the Kabaka. The Kabaka nominated as Omwanika Yakobo Musajjalumbwa who was Saza chief of Kyaddondo. But the Provincial Commissioner did not like the choice

for he thought that he was not likely to advise the Kabaka wisely. Yet the Governor ruled out the Provincial Commissioner on the grounds that the Kabaka should be allowed to choose a man of his own liking to allow the smooth carrying on of business thus, the Governor seemed less concerned with the treasury than with assuring that the whole political administration operated smoothly.⁴² Of course the Buganda Agreement said that the Kabaka was the one who had to choose his ministers but the representative of the queen had to approve such appointments.⁴³

Moreover by this period many British officials working in Buganda wished to reduce the power of Kagwa. It is possible to argue that the Governor was more far sighted than the Provincial Commissioner, Buganda in that he saw that by encouraging two factions in the Buganda government British influence and power would inevitably grow over Buganda. In the Buganda Agreement of 1900 the

42. Secretariat Minute Paper No.7790 II, Entebbe Archives.

43. The Uganda Agreement 1900, Article 10.

chiefs' power was increased while that of the Kabaka was reduced and many elements among the British officers resented the power and independence which the Agreement gave to these chiefs. So one way of striking at the Agreement was to favour the Kabaka at the expense of the chiefs who had Kagwa as their spokesman.

While the Protectorate government auditor was smarting at the refusal of his not interfering with the Buganda Treasury Finances, a chance for doing so arose towards the end of 1913. In that year it was revealed that the Omuwanika had lent Rs 2,000/- to one Braganza, a Goan contractor at an interest higher than the bank rate. He had asked no security. This could be taken as a sign of financial inexperience but for such a small amount of money many people have trusted others once such persons by their standing obviously show that they will pay the money. But the Goan sadly went bankrupt after a few months. The story came to the attention of the P.C. Buganda. This at once made the P.C. rise to the occasion and reprimanded the Omuwanika that he had no right to lend the money in that manner and that he had to repay it himself. When the story was taken

to the Governor he was of the same opinion.⁴⁴ But the Kabaka and his three Ministers refused to accept that the Omuwanika was wrong in his procedure. They would not support the Provincial Commissioner's contention that the Omuwanika had to refund the money, saying "we have always been lending money like this without realizing that we were not supposed to do so."⁴⁵ In fact the Buganda administration had a right to increase the finances in the Buganda Treasury by trading with the money there was in the Treasury. This practice was not new, other governments in the world practised it. It was only surprising to hear the Provincial Commissioner contend that the Omuwanika had no right in trying to increase the money in the Buganda Treasury.

What came out of all this however, was the excuse for the Protectorate Officers to subordinate the Buganda

44. Secretariat Minute Paper No.5524, Buganda Lukiko Funds, Note of the Governor to the Chief Secretary of State 2 November 1918, Entebbe Archives.

45. Secretariat Minute Paper No.5524, Buganda Lukiko Funds, letter by the Kabaka, Omuluzi and Katikkiro of the 26th Nov. 1918, Entebbe Archives.

Treasury. Thus the Governor wrote to the Chief
Secretary of States:

Please reply to the Provincial Commissioner
Buganda, on the following lines: His Excellency
much regrets to hear of this matter. He
is quite aware that the Omuwanika has done
good service to Lukiko funds and this is the
first instance of a mistake of this sort.
The close control of public money is regarded
as of first importance, and no care can be too
great. In this Administration there are
competent and strong Treasury and Audit
Departments both concerned with watching public
money only, and it is the same with all
European Governments. I find it difficult
to believe that the Ministers together did
not realize that public money is money held
on trust. The mere fact that the interest
offered was double that of the Bank should
have warned the Omuwanika against the deal
and it does not appear that any security
was demanded. Whether the Omuwanika's
Department is under any control by other
Departments of the Native Government or not,
or whether his duties are defined
or not by rules laid down in 1916
he should have known his action was
quite wrong, he is a minister of great
responsibility. The Governor regrets
that he can take no other course than he
would take if a similar case had occurred in
any of his own departments, and in order
that the money be refunded to the Lukiko,
ask how he proposes to do this. The
Governor does not wish to be harsh,
but no other course is possible.

Ask the Attorney General if any further
action can be taken to recover money
from Braganza by attaching part of his
salary or otherwise. Ask the Treasurer
if he can draw up some simple rules as to the
control of public funds which will be useful
to the Lukiko and likely to embody principles

and methods and procedure of which they may be ignorant. If so ask him to do so please, and state in the letter that this is very urgent.⁴⁶

This incident took place at the time when several things had appeared in the political outlook of the British officers. At this time the British all over Uganda felt that it was their duty to spread civilization in a way no African was capable of. The British officers also felt that they had to spread their influence in the Buganda Treasury. There was also mounting opposition of non-Buganda to the rule of Buganda chiefs outside Buganda, which went far to confirm the British feeling that it was only themselves who were fitted for spreading civilization in Uganda. As their numbers began to increase, they felt they could man the administration with less help from the Buganda. Indeed the non-Buganda where the Buganda chiefs were in office felt that they could ably perform the work which the Buganda were doing hitherto.

On the side of the economy it should be noted that due to the growing of cotton with success, the

46. Secretariat Minute Paper No.5524, Note by the Governor to the Chief Secretary of State of 29.11.1918, Entebbe Archives.

cash economy had caught on. The people were in a position to trade extensively and to pay their financial obligations to both the Uganda Government and to the Buganda government with less difficulty. This meant an increase of money in the Uganda Treasury and in the Buganda Treasury.

Even the Protectorate government by 1914-15 stopped receiving the subvention from the British Treasury.⁴⁷ Thus the desire of the British Parliament was fulfilled which was to see that the Uganda Protectorate government met its costs using money obtained from the Protectorate (which was the reason Sir Harry Johnston had been sent to Uganda in 1899 to make an agreement with the Kabaka of Buganda.⁴⁸) Though figures of revenue during this period accruing to the Buganda Treasury are not available to show the difference between the figures of the first decade of the 20th century, it is a reasonable speculation that the money that came into the Buganda Treasury had increased. That was one reason why the Auditor felt desirous of having a hand in controlling it. The Auditor in a letter to the Director of Colonial Audit, London confirmed the view that the money accruing at this time

47. Buganda Annual Report 1915-16 and K. Ingham, p.115.

48. Low and Pratt, p.15.

to the native treasuries had increased very much. When he had been ruled out in 1916 by both the Provincial Commissioner, Buganda and by the Chief Secretary of State that there was no need to interfere in Buganda's funds, the Auditor still felt convinced that he should pursue the question further not only in regard to the Buganda Treasury alone but also in regard to other local treasuries to make the case stronger for interfering in the Buganda finances. He wrote to the Secretary of State in London thus:

I have the honour to inform you that I have raised the question with the Government of this Protectorate of the necessity or advisability of an examination by the Treasury and Audit of the accounts of the Native Lukikos Funds which, in the case of the Eastern and Northern Provinces, are deposited in Government Chest.

This subject had been discussed by the Assistant Colonial Auditor General Mr. Browning, with the Assistant Comptroller and Auditor General during his visit in 1907; he considered that this was not necessary as the Provincial Commissioner countersigned them.

Since that period, however, these Funds have grown to considerable magnitude and as they are undoubtedly of a public nature, I expressed the opinion that a correct system of accounting should be instituted. This would entail monthly or quarterly accounts to be forwarded to the Treasurer and to this Officer for Audit.49

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49. Secretariat Minute Paper No. 7790, II, letter by the Uganda Auditor to Colonial Audit Dept., London of the 13.11.1916, Antebbe Archives.

The incident of Braganza's default opened the way for a more direct interference by the British officers. From this time the British officers gradually insisted on looking at what was going on in the Buganda Treasury until they secured a more direct control over the Buganda Treasury funds. The first major step in this direction was to bring the treasury under the control of the Protectorate Auditor.

The Governor's request for drawing up some simple financial rules by the Treasurer of Uganda "as to the control of public funds which would be useful to Lukiiko", was complied with. In June, 1919 a list of financial rules was issued by the Assistant Treasurer. The Kabaka and his Ministers were given liberty to discuss the proposed draft of the financial rules and they objected to some of them. Their objections were accepted by both the Chief Secretary of State and the Provincial Commissioner, Buganda. This showed the respect the Protectorate officers still held for the autonomy of Buganda and it illustrated that these officers were wary in interfering in Buganda's affairs.⁵⁰

But this respect was based on British Colonial Policy. The British officers had to move very carefully.

50. Secretariat Minute Paper No.5524, Comments on the Draft of the New Financial Regulations by the Kabaka, Katikkiro, Omulamuzi and Omuw-nika, Entebbe Archives.

The Buganda government was strong in the fact that it commanded the loyalty of a large population, a direct confrontation between it and the British could easily have triggered loud and wide-spread discontent against the British interference which in turn would have brought down the displeasure of the Colonial Office on the Protectorate Government. A cardinal point of British colonial rule was that a quiet colony was a well ruled colony. What was even difficulty for the British in the case of Buganda, was that in any such confrontation with the Baganda, the British were likely to be exposed as legally in the wrong by the Buganda Agreement. Thus it was very necessary to get what they wanted by a show of diplomacy.

It was also decided by the Protectorate Government that the Omuwanika's head clerk should be given three months' training in financial affairs in the Uganda Treasury under the instructions of the Treasury Officer in Kampala.

Below are the financial rules drawn up at the request of the Governor and approved by him.

1. A Committee to be called the Finance Committee of the Lukiiko of Buganda shall be appointed by the Kabaka with the approval of his Ministers to deal

with all financial matters. The Committee shall consist of the three Ministers and two other Chiefs of standing with knowledge of finance and of Lukiko Matters. The Omuwanika shall be Chairman of the Committee and all members of the Committee shall have equal voting powers and matters shall be decided by a majority vote. This Committee shall keep in a Book to be called the Finance Committee Book proper records of all their instructions to the Omuwanika and countersigned as approved by the Kabaka. The Omuwanika is not authorized to pay out any funds for any purpose whatever without the full authority of this Committee. The Committee shall sit at the beginning of each quarter in the Omuwanika's office to discuss and decide all financial business and notice in writing of meetings shall be sent by the Omuwanika to each member of the Committee. The Omuwanika shall have the power to call special meetings at any time for the discussion of any urgent matters but generally speaking all matters will be decided at the beginning of each quarter.

2. Estimates of Revenue and Expenditure based on the previous year's receipts and disbursements shall

be prepared by the Committee on lines similar to those of the Protectorate Government, their financial year to correspond with the Protectorate's Financial year.

3. An Establishment Register shall be kept in accordance with that laid down in the Estimates and such establishment shall not be exceeded without the written authority of the Committee.
4. The Committee shall inform the Omuwanika in writing of what disbursements he may make without further reference to them; disbursements to include salaries of the Lukiiko's staff and ordinary recurrent departmental expenses up to a certain limit but any disbursements of a large or extraordinary nature must be submitted to the Committee before being paid.
5. Any surplus funds not required for current use shall be placed on deposit with either the National Bank of India or the Standard Bank of South Africa, ~~ESSENTIALS~~. Each deposit must receive the prior approval of the Committee.
6. The Committee Chairman shall have placed before them every quarter a statement showing the total receipts and disbursements under the various heads of revenue

and expenditure during that period together with the cash on hand at the beginning and end of the quarter.

7. A quarterly return of all Lukiiko cattle shall be submitted to the Committee. The return must show all births and deaths together with the balance of the cattle on hand at the beginning and end of each quarter.
8. The Lukiiko shall appoint two of their members to audit their accounts.
9. All cheques of the Bank shall bear the signature of the Omuwanika and his Chief Clerk and the Accounts shall be styled the Buganda Lukiiko Accounts. The Pass Book shall be written up to date by the Bank at least once a month and the balance shown by the Pass Book. This procedure to be always carried out at the close of each month. A statement showing how the balance agrees to be made in the Cash Book and signed by the Omuwanika.⁵¹

After drawing up these regulations the Protectorate administration ironically prided itself on having "taken

51. Secretariat Minute Paper No. 5710, Buganda Lukiiko Financial Instructions, Entebbe Archives.

CHAPTER III

THE PROTECTORATE GOVERNMENT SEEKS CONTROL OVER THE BUGANDA TREASURY.

The year 1920 opened up a new chapter in the development of the Buganda Treasury and in its relationship with the Protectorate Government. Following on the rules given to the Buganda Treasury in June 1919 was the passing of Luwalo Law early in 1920 by the Buganda Government, approved by the Protectorate Government to exempt certain people engaged in paid work for three consecutive months in Buganda from the obligation of working on Buganda public works in person, instead such people were supposed to pay each to the Buganda Treasury ten shillings a year and the Treasury would hire out labourers to work on the public works of the Buganda Government.¹

Luwalo had been a traditional obligation for all able-bodied men in Buganda to work for the chiefs for a period without pay. This work was normally directed towards public work such as making new roads, and maintaining old ones and building the enclosures and the houses of the chiefs. The chiefs usually paid

1. Buganda Annual Report 1920-21.

their men indirectly by holding feasts for them. The 1900 Buganda Agreement recognised that compulsory and unpaid labour might be used on public works, such as on roads and on Buganda government buildings.² But due to the supplications of the Christian missionaries certain categories of people were exempted from this kind of labour in 1900 as unbecoming to their status. Such people were teachers, catechists and domestic employees of the missionaries. So when the Lwalo Law was passed these were already exempted and they were not even supposed to pay the ten shillings.

This commutation law had the direct result of increasing very much the money which came into the coffers of the Buganda Treasury. Moreover by this time the cash economy had become established quite well in Uganda but more especially so in Buganda. Very many men in Buganda mostly through the cultivation of cotton and coffee, now had cash to pay their taxes and to buy imports. We no longer hear stories of men liable to pay poll tax running away from Buganda. The number of African traders also had increased in Buganda and they were able to pay to the Buganda Treasury appreciable amount of money in market dues.

2. The Uganda Agreement 1900, Article 14.

3. The Official Gazette of the Uganda Protectorate,
15.9.1920, The Lwalo Law.

This increased revenue complicated the operation of the Buganda Treasury and drew greater interest from the Protectorate officials. The sums were now worth their time and their desire for control over it was likely to grow.

From 1920 onwards new officials like Postlethwaite were developing a new outlook about administration in Uganda. They were less interested in fostering African States which could manage and regulate African life. They were more interested in tightening British control over all of Uganda and with the increase in Protectorate revenue they were in a position to do so. Their watchword and slogan was "efficiency" which they believed could only be achieved under their supervision and direction. African chiefs were to be subject to greater supervision and control and authorities like the Buganda government were to become subordinate agents of the central government. Henceforth the British would appear to cater to the peasants in an attempt to subordinate the chiefs. More and more it was to become popular to speak of the oppression of the peasants and the efforts of the chiefs in amassing personal riches. In this they were assisted by the development of

a vocal press critical of nearly all actions of the Buganda chiefs. One of the sharpest and most scathing criticisms centred around the handling of the Lukiko funds by the Buganda Treasury. While British criticisms of the chiefs had a good deal of substance and peasant oppression may have been a fact, it is difficult not to be sceptical that they were mere issues in a struggle for power rather than their real concern. All of these events conveniently mark 1920 as beginning a new era in the development of the Buganda Treasury and in its relationship with the Protectorate government.

The new regulations drafted in 1919 to govern the financial procedure of the Buganda Treasury according to British notions were accepted by the Kabaka and by his three Ministers after discussing them and the removal of the points which they felt would permit the British officers to interfere unduly with Buganda affairs. They had accepted the rules because they had set a clear way of going about the financial matters in the Buganda Treasury. The Omuwanika's letter and that of the Kabaka, the Katikkiro and of the Omulamuzi, of 1919 (when it had been revealed that Rs.2,000 - had been lent out) showed that there was no clear procedure for financial

matters in the Buganda Treasury. The letters also showed that these four officials did not know exactly what the Protectorate officers expected of them in running the financial affairs of the Kingdom. As the Kabaka and his ministers said in part of their letter:

We quite agree with the Omuwanika that he did not know when lending this money that he had no power in doing so and consequently this mistake was made. We used to lend this money in that way without knowing that public money should not be utilized in that way and we should beg to point out that this is a new matter to us which has only just come to our notice.⁴

They had accepted the financial regulations but they had also reserved their independence. They did not intend either to pass their accounts to the British for scrutiny or allow another person the power to counter-sign cheques. The latter especially would have totally destroyed Buganda's independence.

We are not in favour of submitting a copy of our funds to the Provincial Commissioner since a copy of it is being sent to the Kabaka and his two Ministers, the Katikkiro and Omulamuzi. Also we fail to see the reason why it should be necessary

⁴ Secretariat Minute Paper No.5524, Buganda Lukiiko Funds, letter by the Kabaka, Omulamuzi and Katikkiro, 26.11.1918, Entebbe Archives.

for another man to sign the cheques, we prefer the Omwanika signing these himself, because the Financial Committee will authorize him the amount he has got to pay out during the time it meets again.⁵

With this kind of feeling from the Kabaka and his Ministers one could forecast that despite the Protectorate government officers' having given a financial code to the Buganda Treasury, its likelihood of being enforced by them was distant at the outset because it was seen as a direct interference in their affairs.

Morris and Read argue that:

The 1920's were a period of considerable tension between the Buganda government and the Protecting authorities. The attitude of Uganda was always the Protectorate government should not interfere in Buganda matters for the Agreement gave us a special relationship. Especially the Lukiiko disdained the same interference as that shown to other local administrations. There should be a difference and that difference should be shown by non-interference.⁶

But the Protectorate officers were determined to break this attitude. As the Provincial Commissioner, Buganda, wrote in his Annual Report of 1923:

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5. Secretariat Minute Paper No. 5710, Buganda Lukiiko Financial Instructions, Entebbe Archives.
 6. H. F. Morris and J. S. Read, Uganda: the Development of its laws and constitutions, Stevens London, 1966.
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The leading chiefs are still very fearful of the possible diminution to their prestige and authority which they consider would result from the exercise of that minimum of British supervision and control I am anxious to see introduced.7

When speaking about the organization of Luwale Labour in 1922 the Provincial Commissioner, Buganda had this to say about the tenacious attitude of the Mengo chiefs about their power and their disdain for interference from the Protectorate officers:

The inauguration of the Luwale system has been watched with keen hope and some apprehension. I regret that so far I am not able to report that it has attained the success hoped for. This I attribute mainly to the desire of the Native Government to build up and manage the organization themselves and their jealousy at the commencement of any interference by the British Provincial Administration.8

Again in 1924 the Provincial Commissioner, Buganda complained about the independent attitude of the Mengo chiefs and their hatred of interference from the Protectorate officers in their affairs. This was again in connection with the Luwale Department.

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7. Buganda Annual Report 1923.
 8. Buganda Annual Report 1922.

The Luwalo system provided the largest source of native government revenues. Since its institution in 1920 criticisms and complaints of mismanagement by the native authorities have been rife and the efforts of the Administration have been directed to obtaining some measure of control over the management of these public funds. This has been a task of great difficulty owing on one hand to a tenacious clinging to their rights and prerogatives by the central native authorities and on the other to an absence of effective criticisms by the district chiefs.

The impression one gets from the feelings of the officers is that they had no power or legal authority to force their control of Mengo affairs on the Mengo men; they would only persuade them. Therefore despite the financial code given to the Buganda Treasury those connected with handling the financial affairs of the Kingdom could go about their business with no or with little reference to the financial regulations if they felt that it would inconvenience them at some points. Indeed this was in the spirit of the independence which the 1900 Buganda Agreement accorded to the Buganda government.

However in responding to advice from the Protectorate officers, as far as the running of the Buganda Treasury was concerned, the three Ministers and the Kabaka were desirous of going as far as possible

to meet British demands and press criticism, realizing that there was room for more expert handling of Uganda's financial affairs. They were also anxious to avoid an open confrontation with the British officers but at the same time Uganda's status was more important in their eyes than a foreign accounting system supervised by foreigners and subjected to their whim. Indirect rule suggested that the African peoples more readily followed and obeyed their traditional chiefs than they would the foreign British. For this to work smoothly the chiefs had to be seen to have prestige and power in their own right. Once the British began to make it obvious that chiefs were merely their agents, then the people began to look upon them as almost a barrier between them and the source of real power. British interference slowly eroded the influence and authority of the chiefs, making it harder and harder for them to command respect and to govern. As British effectiveness increased chiefly effectiveness declined. As this process developed it was the chiefs who usually suffered as in the Bukedi Riots of 1960 when the people rose and slaughtered the chiefly agents of the British. Thus it does not seem to be stretching the fact too far to suggest that every British intention was seen by the chiefs as producing less effective government.

So while they welcomed advice they would not accept that British officers should look into the actual direction of their affairs.

The Provincial Commissioner, Buganda had suggested that before the 1919 financial regulations could work, there would have to be an audit of the Buganda Treasury finances by a Protectorate government auditor so that there would be a clear picture of these finances and the financial regulations might then be carried out. But the four men at first refused. Their resistance to this audit may have largely been due to the fear that the Protectorate officers were seeking to use the audit for greater interference in Buganda's affairs. Wita who became a gombolola chief during the 1920's and climbed up the ladder of Buganda's chiefship becoming an Omulanusi (chief justice) in 1950 had the following to say about the Luwalo affair. He said that the whole issue lay with Sir Apole Kagwa and Prince Joseph Musanje who was head of the Luwalo. Kagwa was a very confident man who took the view that the Baganda chiefs had ability and a right to run their own affairs. If they had run the kingdom well from the troubled days of Abaka Mwanga to 1920 there was no reason why so small a thing

as the organization of the finances from Luwalo could not be efficiently managed. Musanje was a prince who felt that he had a right to participate in the administration of his grandfather's kingdom. As they had ruled it efficiently in the old days he also had that ability to do so and he hated any Europeans telling him to direct affairs as they presumed. Musanje on being interviewed supported Gita's view.¹⁰

His confidence in what he was doing and his feeling that he, as a prince, had a right to direct affairs in Buganda without others of common blood ordering him about, later made his relations with the Omuwaniika, Mra Kabali, rather difficult as we shall see ahead. Musanje said that the Provincial Commissioner's complaints about the Luwalo finances were dominated by two factors. One was that there were political factions that wanted to overthrow the old chiefs. They were going about spreading rumours that these chiefs were using the Luwalo money for their own use by directing everything in Buganda. He noted the example where four district officers were appointed by the British in 1925 and posted to different

10. O.I.A. Gita, 27.7.1969 and J.Musanje, 18.3.1969.

parts of Buganda to supervise the construction of Buganda's government buildings and roads. Yet, he claimed this did not result in more buildings and roads being built nor did their quality improve. This decreased the Luwalo money because four more officers had to be paid salaries and travelling allowances, whereas this money could have been spent on public works. He alleged that the British did this because it was a way of showing their importance by controlling these new men and the money they spent.¹¹

The Ministers and the Kabaka however ultimately came to feel that an audit might be useful in that it could assist in the creation of a workable system. Their ultimate willingness to allow it to proceed, at least, seemed to indicate their own clear consciences over the treasury. They may also have felt that it might be better to request an audit rather than wait until press criticism and British pressure forced it upon them. In addition, the British were prepared to be moderate in their demands, the first audit at least was not to be in the form of an attack or exposure but rather an explanation of proper procedures. The following correspondence indicates some of the thinking on both sides. The Acting Uganda Treasurer wrote to the Chief

11. O.I.J. Musanje, 18.8.1969.

Secretary of State on the fourth of May, 1921, thus

Curiously enough the Katikkiro and another man probably the Omuwanika, came to my office this morning and asked if I would help them in arranging their accounts. They were not quite satisfied, they said, with the present system and wanted advice and guidance. I promised him help and that I would personally go to the Lubiri and look through things and that I would leave an Assistant to continue the work.¹²

Soon after this visit the Kabaka also wrote a letter to the Provincial Commissioner, Buganda, to the same effect and the Provincial Commissioner wrote to the Chief Secretary of State, Entebbe thus:

I have received a letter from the Kabaka in which he informs me that he is anxious that the auditing of the Lukiko accounts should be undertaken by a competent European Auditor. He begs that one of the Government Auditors may undertake this. It is expressly stated that it is desired that the audit shall be carried out by a European Auditor only until there shall be Baganda with sufficient training to undertake it.

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12. Secretariat Minute Paper No. 7790 II, Native Policy of Assistance, letter of Ag. Treasurer to Secretary of State 4.5.1921, Entebbe Archives.

The Government has no authority to insist on any such audit and I look upon it as a distinct advance that the Uganda Government should at last have shown themselves alive to the necessity. I therefore hope that it will be possible to detail an Auditor as opportunity arises. I need hardly point out that it will probably be found that there is much room for sympathetic explanation of procedure that to a European may appear easy and obvious but which from the nature of the case must present colossal difficulties to the untrained native. Such explanation will be most valuable to the Native Government and indirectly to the British Government.¹³

So both press criticisms and some pressure from the Protectorate officers brought round the three Ministers and the Kabaka to the idea of allowing the Protectorate officers to come and look at the machinery of the Uganda Treasury. When the audit had been accepted the Uganda Treasurer sent his Assistant to do the auditing in December 1921. His object was not to find fault with the officers of the Uganda Treasury and reprimand them. He had been warned by the Provincial Commissioner to go cautiously about his business as it was mostly intended to direct them.

The inspection revealed the following:

1. Various books were produced but it appeared that these books were not clearly understood by the staff.

13. Secretariat Minute Paper No.7790 II, Lukiko Funds, letter of Auditor to the Chief Secretary of State 1.3.1921, Entebbe Archives.

2. Payment for prisoners' food had been made by cheques but no particulars whatsoever had been filed.
3. The Finance Committee gave the Omuwanika a sort of general authority to incur expenditure according to the estimates.
4. The establishment Register could not be found and so it could not be produced for inspection.
5. It appeared that a Bank Pass Book had not been obtained and kept for record.¹⁴

The observations of the assistant auditor show that it was hard to keep track of the money in the Buganda Treasury. An officer could easily claim to be paying any number of workers without really doing so as there was no Establishment Book. Since there was no bank pass book, an officer, could hardly show whether he had banked the correct amount of money which he had taken to the bank. With no system of filing, it would be very hard to trace the money that had left the Buganda Treasury and why it had been paid out. But all these points were relatively minor and could be corrected by the Buganda Treasury administration.

The assistant auditor put forward a short scheme to guide the officers in the Buganda Treasury to correct

14. Secretariat Minute Paper No. 7790 II, Report by Ag. Auditor to the Chief Secretary of State of Lukiko Funds January, 1922, Entebbe Archives.

the above state of affairs. He said that there should be a cash book, a ledger, Bank Pass Book, Finance Committee Book, Establishment Register and Approved Estimates for the year:

All the receipt and expenditure should be entered in this Cash Book daily, and vouchers in detail filed in support of the respective entries. The Omuwanika should scrutinize each voucher before passing them and certify them. The Cash Book should be balanced at the end of each month and any balances on hand on the last day of each month be carried forward to the following month. The Omuwanika will sign the Cash Book on its being ruled off monthly. The Finance Committee Book, the Establishment Register and the Approved Estimates will be essential for reference.¹⁵

When the assistant auditor left the Buganda Treasury with these suggestions, the Provincial Commissioner, Buganda felt that at last his labour of persuading the Mengo men to accept expert advice from the Protectorate Officers had produced some positive results. And he hoped that in future there would be an appreciable change for the better according to the British ideas in the Buganda Treasury. But he was soon expressing disappointment, as we shall see later.

The Luwalo Comutation money started to bring very large amounts of money into the Buganda Treasury

15. Ibid., p.83

up to 1,000,000/- by 1924.¹⁶ In view of the situation revealed by the assistant auditor's report, it was felt by the British Officer that there was a serious problem of how to deal with such money. This money had been earmarked for opening up new roads and maintaining old ones and for maintaining and buildings official houses for the Buganda Government. A separate account had been set up to differentiate this money from the revenue of the old type accruing from court fees, fines, land registration fees, market dues and others. Yet this differentiation was useless because some of the Luwalo money also was being used to do other things. So despite its increasing in size the British officers felt that the money failed to make a visible effect on the projects for which it had been intended. Thus the Provincial Commissioner Buganda complained in the Annual Report of 1923:

I regret to say that the Luwalo system has not been a success during the year. There was a large discrepancy between the number of men discharging the obligation and those paying poll tax. The funds have been badly managed at headquarters and the estimate showed sums amounting to Shs.86,128/- for purposes such as payment of police, warders, survey fees, etc. which had no connection with the specific objects for which the fund was instituted.¹⁷

16. Buganda Annual Report, 1924.

But the Provincial Commissioner had not gone through the accounts so as to be justified to state that the funds had been "badly managed at headquarters." The implication he gives is that he was slowly trying to work upon the feelings of the Governor so that later he might ask to control the funds in the Buganda Treasury. It looked as if all the Europeans were thinking along the same lines of enlarging their empire, when in the Uganda Herald of 3 August 1925, there appeared a letter by a European, K. Remane, complaining about the way Luwalo money was being spent. However it was obvious that Remane was not really interested in efficiency so much as his own personal interests. He was complaining because labourers would not come to work on European plantations for 30 days at 8/- when they get 10/- for working on Luwalo works for 26 mornings per month. Remane complained that Mengo did not spend money of Luwalo to buy tools for work on roads. He then went on to inquire as to:

1. What is the amount collected by the Luwalo tax in Buganda.
2. What amount is received in Luwalo tax from each respective Buganda District.

3. How much of this is spent on labour and on tools.
4. How much of that amount of each district went back for labour and tools in that district.
5. How is the balance of the amount after allowing for labour and tools, expended.¹⁸

But the complaints of the Provincial Commissioner and of the Uganda Herald correspondent were unsupported by evidence. The truth was that the Mengo government could not afford to set aside all of the Luwalo money for roads and government buildings while the revenue from regular sources was not sufficient to run other Buganda government services. The Mengo government saw no logic behind leaving out some services undone while there was so much money at its disposal from Luwalo revenue. Moreover if only 86,128/- in 1923 were spent on police, warders and on survey fees from Luwalo money, while the total Luwalo contribution was about 1,000,000/-, 86,128/- represented a very small percentage which was spent on services other than maintaining the roads and putting up new Buganda government buildings and maintaining old ones. It seems that the British officers insisted on seeing that Luwalo money should be spent on

18. Uganda Herald, 3 August, 1923.

roads alone to help get the cotton crop out and to hide their own responsibility to cut new roads in the kingdom. From 1945 to 1955 the British government was obliged to give money to the Buganda government to make roads because revenue accruing to the Buganda Treasury was not enough for this purpose. A more reasonable procedure at this point would have been to have allowed the Buganda government to use a certain percentage of the Luwalo funds for the general services of the Buganda government. It was becoming obvious that the Protectorate officers were becoming more and more envious of the greatly enlarged funds at the disposal of the Buganda chiefs. Towards the end of 1923, the Ag. Provincial Commissioner, Buganda A.H.Cox wrote to the Uganda Treasurer thus on 21st December, 1923:

I am purposing in the near future to take up with the Kabaka and Ministers and Lukiiko the question of the necessity of some adequate measure of financial control over Buganda native funds being accorded to the British Government; at present it has none or next to none and the results are notorious.

A. That authoritative advice and assistance must be accepted in the preparation of the annual budget of the Native Government.

B. That the estimates as drawn up must be approved by the British Government and should then be printed and circulated.

C. That once approved no reallocation of expenditure should be permitted without the consent of the British Government.

D. That the system of accounting be revised and approved and that such returns and statements as may be required to ensure control be drawn up under expert advice and rendered as prescribed.

E. Money in hands of Sasa chiefs should be spent under the authority of the District Commissioner who has power to control expenditure within his district.¹⁹

Every point was in the direction of British control. This must have been obnoxious to the Ministers at Mengo especially Kagwa who was a staunch guardian of the free actions of the Buganda government and could not accept this unwarranted subordination to the Protectorate government. Moreover Kagwa resisted the British officers having a right to direct chiefs. He insisted that any advice they wanted to tender should be discussed with the Ministers and then it would be they who would pass on to the rest of chiefs what had been agreed upon.²⁰ To propose that Sasa Chiefs should have to spend money under the authority of the British District officers could

19. Secretariat Minute Paper No.7790 II, Lukiiko Funds, letter dated 21.12.1923 by Ag.P.C.Buganda to the Chief Secretary of State, Entebbe Archives.

20. Sir Daudi Chwa, Why Sir Apule Kagwa Resigned The Swift Press Ltd., Nairobi, 1928, p.22.

not be acceptable.

The Press also was loud in wishing to see the Protectorate officers take a more direct control in the financial affairs of the Buganda Treasury. Matalisi of January 1924 stated that the Luwalo account was in heavy debt and as a result much public work could not be done. The editor wondered as to where the money had gone since the roads had not been maintained and the official buildings not built and repaired.²¹ But on reading the leader one feels that all this was based on hearsay and was being engineered by the catholic factions in whose interest the paper was run to discredit the chiefs at Mengo.

From 1900 to almost 1920 the public in Buganda seemed not to care about what was going on in the Buganda Treasury. From 1920 to 1930 one sees a greater interest from some members of the public in what was going on. This interest centred on attacking the administration of the Luwalo money which was increasing very much every year. Though it had been envisaged to be paid not by all Poll Tax payers, the Luwalo tax tended to be paid

21. Matalisi, 7th January, 1924.

by all tax payers who felt that they could pay the 10/- for public works in Buganda instead of working with their own hands for a month on these works. This tendency was brought about by two events: one was the successful growth of cotton in Buganda. People had money to pay the Poll Tax and also pay the Luwalo commutation fees. The Luwalo Commutation Law had allowed commutation to only those engaged in work for wages for three consecutive months in a year and a few others such as teachers, chiefs and owners of land from one square mile onwards.²²

The second cause of the tendency for an increasing number of Poll Tax payers to pay the commutation fees instead of working with their own hands on public works, was that people had begun to feel sophisticated. They began to feel it improper for them to work on public works; so they preferred to pay the 10/- fee instead of working. Moreover, many Baganda had begun employing labour themselves on their shambas, this labour was mostly provided by the Banyarwanda and Barundi who came to Buganda to earn money to pay their taxes to the Belgians

22. Ibid., p.72, footnote 3.

in Rwanda-Burundi.²⁵ Many of such people were also employed on public works by the Buganda government. Many Baganda felt it beneath themselves to work along side people who were identified as unskilled labourers.

The result of all this was that a very large number of Poll Tax payers in Buganda also paid the Luwalo Commutation fee. But the attack from the Press on the way the Luwalo funds were being administered did not come from a very large section of the people in Buganda. The attacks were politically motivated and did not mean that the Buganda Treasury was necessarily managing its affairs in chaos.

First of all the 1920's witnessed the rise of the Bataka Party. This Party was definitely against the chiefs who had become established in power by the 1900 Buganda Agreement. The Bataka Party sought any chance to discredit what was being done by the chiefs especially the three Ministers at Mengo. So they could easily encourage rumours that the increasing Luwalo finances were being used for the personal benefit of the chiefs.

25. K. Ingam, The Making of Modern Uganda, George Allen and Unwin, 1958, p.199.

Secondly Postlethwaite was involved in the Buganda politics as acting Provincial Commissioner and then Provincial Commissioner, Buganda during the 1920's. He had a bias against the Mengo administration and especially against Kagwa. This bias started in 1911 when he said:

We appeared to be eternally giving orders which were obeyed or not, at the sweet will of the Buganda Native Government, the entire virtual authority of which was rested in the Katikkiro, Sir Apolo Kagwa.²⁴

So he always sought excuses whereby he could subordinate the Buganda government. He thus said in reference to the Buganda Treasury that the funds thereof were being used for the benefit of the chiefs.

Thirdly the criticisms from the Press can hardly be accepted as genuine. Matalisi represented a faction in Buganda which was against the administration at Mengo. Ibifa was a C.M.S. newspaper more inclined to foster imperial views of the British as saviours of backward peoples. The Uganda Herald was owned by Europeans, edited by a European and had a majority of European readers. One would expect it to voice the feelings of the British administration. After all the Uganda Herald was fostering

24. J.E.R. Postlethwaite, I look Back, T.U. Boardman & Co. Ltd., London, 1947, p.42.

the empire and it saw no reason why Buganda should not be fully under the subordination of that empire. The feelings of the Mengo administration have been hard to determine since all the files were closed as a result of the revolution of 1966. But the opinion of two men out of so many interviewed was worthy of note. One was Rauli Kiwanuka who was chief from 1923 and retired in 1946 after being Omulamuzi from 1932. The second man was S.K.Njuki who started to work as a clerk in the Kabaka's Egwanika ly' Inkuluse (Kabaka's Treasury) in 1918. He later went to work as chief clerk in the Buganda Treasury, from there he became head of the public works of Buganda and responsible for spending much of the Luwalo money. From 1938 to 1945 he was as Saza Chief. The particular importance of these two men is that after the retirement of Postlewhite in 1933 as Provincial Commissioner Buganda, they led a strong attack on their fellow chiefs who were blindly obeying whatever the British officers were ordering them to do. They saw this as an intolerable subordination of the Buganda Government to the British officers. Eventually they managed to bring about the downfall of Katikkiro Nsibirwa and Serwano Kulubya the Omuwanika who had permitted this sub-ordination.²⁵

J.S.Ssekamwa, Submission and Reaction in Buganda 1926-25. 1945, Social Science Conference Paper, Nairobi, December 1969.

Both R. Kiwanuka and S.K. Njuki claimed that the Buganda Treasury was relatively efficient during the 1920's and it was keeping its accounts in such a way that it was not so easy by those dealing with money to embezzle it. They argued that complaints against the running of the Buganda Treasury were engineered by those few people who were against chief, such as the Bataka Party and Pestlethwaite who saw nothing good in anything done by the Buganda chiefs. Moreover he wanted to arouse the peasants against the old chiefs who would not easily accept subordination. S.K. Njuki claimed that when he was gombolola chief of Menge from 1924 to 1928 he opened up many of the roads leading into Kampala at the present time and when he subsequently became head of the public works of Buganda he saw to it that all roads converging into the highways built by the British government through Uganda, were good enough to be used by lorries carrying cotton to the ginneries. He then asked how on earth the British could say that the Luwalo money was not being used efficiently on maintaining and cutting new roads. Moreover it was from the 1920's that all saza and gombolola

headquarters were being well maintained, building strong houses for the gombolola and sama chiefs and building grass and wattle buildings for other purposes. Njuki also contended that the British and Baganda critics were thinking about the Luwalo money "in mass" without considering the tremendous burden on it. Many times it was not adequate for setting up both new buildings and maintaining roads. He argued that only when a man was directly concerned with partitioning out government money that he realizes how hard it is for government to make ends meet despite the fact that so much money is collected by that government! Both H. Kiwanuka and S. K. Njuki refuse to accept the validity of the British and Press complaints of the misuse of the Luwalo funds.²⁶

The Kabaka was aware of these criticisms and he wanted to silence public agitation by accepting advice which in fact he had been accepting and at times inviting from 1919. So together with his Ministers he accepted the view that somebody, either from the Uganda Treasury or from the Audit Department of Uganda, should come again and give them advice on the financial matters of the Baganda Treasury. The Protectorate government commissioned Allen

26. O. I. R. Kiwanuka 2.8.69 and S. K. Njuki 29.7.69

from the Uganda Treasury to do a thorough audit of the Buganda Treasury accounts. He started his duties in August 1923.²⁷ The Luwalo Commutation money had over-shadowed all other revenue from other sources accruing to the Buganda Treasury. People talked about all Buganda Treasury money as Luwalo commutation money mostly because this money was the obvious one to them and of the greatest magnitude. Allen came to examine the accounts particularly of the Luwalo commutation. However he could not look only at the Luwalo commutation accounts as part of that money was being spent on business for which at first it had not been supposed to be spent.

He revealed that despite the financial regulations set up by the Protectorate government in 1919 and despite the Assistant Auditor's inspection of 1921 and his advice, there were still many financial irregularities and the Buganda Treasury officers had in fact had not followed the advice which had been given them. Allen prepared a lengthy report detailing irregularities and offering advice of which the following is a précis. He found out that there was no recording of vouchers or cheques by the people

27. Secretariat Minute Paper No. 7790 II, Native Policy of Assistance, Entebbe Archives.

employed by the Buganda Treasury. Money was paid out in excess of receipts and consequently some reduction in expenditure was necessary. The headquarters at Mengo appeared to take an undue proportion of the money collected for payments of staff and other services. The cost of stationery was found to be excessively high. Charges were made against Luwalo funds which should more appropriately be borne by Lukiiko Funds. The crucial point was that much money had been spent since 1922 without a record of how it had been spent.

If Allen's advice of reducing expenditure was accepted one wonders how the Buganda government could cope with the maintenance of roads and of the construction of new ones. Secondly Allen criticized the expenditure of money at headquarters as being too high compared to the rest of the Kingdom. But it is inevitable that the headquarters always takes the greatest share of the government's funds. It seems likely that if the Protectorate expenditure had been examined the headquarters at Entebbe must have made a greater claim on the Protectorate Treasury than all the Province headquarters put together.

Allen advised that all the Luwalo Commutation money should not be brought to Mengo where much of it was spent on doubtful items while in the counties, roads and official

buildings went uncared for. So he advised that 60% of the Luwalo money would be spent at Mengo while 40% would remain in the counties. He further advised the appointment of District Luwalo Inspectors (D.L.I.) at Masaka, Entebbe, Mubonde and at Mityana. The inspectors were to be responsible for the expenditure of the 40% of Luwalo commutation money. They would be under the Provincial Luwalo Inspector at Mengo. But the District Commissioners who were Protectorate Government officers controlled the financial affairs of these D.L.I.'s. Allen had proposed a complete merger of the two accounts of the Buganda Treasury Funds.²⁸ These two accounts had complicated matters. One account was for the Luwalo commutation fees the other was for the rest of the revenue such as for court fees and fines. The idea of merging the two accounts was not accepted by the Kabaka and the Ministers, and the Protectorate Officers saw no point in pressing the point since they had, at least, secured a measure of control over 40% of the Luwalo money. Thus gradually the British officers gained a large measure of control over the Buganda Treasury funds. They now

28. Secretariat Minute Paper No.7790 II, Native Policy of Assistance, Entebbe Archives. Also see J. Musanje's comment on the setting up of the four District Luwalo Inspectors p.81.

looked forward to getting control over the remaining 60% and on the revenue from other sources. The Kabaka and his Ministers felt unhappy at the control of the 40% of Luwalo money for it seemed that this was the way the British were beginning to direct chiefs and detach them from the headquarters at Mengo.

The Provincial Commissioner, Buganda, suspected the uneasiness of the Kabaka and his Ministers. He reported to the Chief Secretary of State at Entebbe on the 14th January, 1924 before the new scheme came into operation:

I can at present venture no forecast of what will happen on Lukiiko accounts. Hopeful signs are a very clear realization of their (Mengo men) failure up to date. A very latent anxiety that in some way or other matters may be put right. An inclination at last apparent to avail themselves of our assistance. On the other side must be put one fact and one only that I am really afraid of, though on the surface a childish point. It is the extreme sensitiveness of the Gounty and Gombolola Chiefs to any semblance of control from any one whom they look upon as their inferiors, such as the District Luwalo Inspectors. The idea is new to them of powers being given to members of a specialized department to criticize or tender adverse reports on their work, I have known even European officers express resentment at the activities of an auditor. I fear that the matter will entail endless patience and a vast amount of discussion. I am on the whole hopeful that I may eventually succeed in getting the report adopted, if not completely as it stands at

any rate in its more essential features.²⁹

It is not true however that the Ministers at Mengo felt that they were unequal to the job of administering the Buganda Treasury funds. Though they had asked for advice this did not mean that they felt incompetent. They had accepted advice in 1919 and 1921. But they were always mature enough to select some of the points that suited their situation and used them while they discarded others. The Provincial Commissioner's fears in his statement above reveal that though the British officers were pushing their interference into Buganda affairs, they knew they had no legal right to do so. They were pushing a little, then hesitating to await the reaction from the Buganda government. They were only fortunate that the Buganda government did not stamp its foot down adamantly. Finding that the old chiefs were not amenable to his views, Postlethwaite used the trick of retiring them all during the 1920's until he even forced the retirement of Sir Apolo Kagwa in 1926. Once young chiefs were installed by him he could do whatever he wanted since they felt obliged to him for having made them chiefs.

29. Secretariat Minute Paper No. 7790 II, Native Policy of Assistance, letter by P.C. to the Chief Secretary of State of 14 Jan. 1924, Entebbe Archive.

The Provincial Commissioner was seen reporting to the Chief Secretary of State on what he called "progress." He was over-enjoyed that the Mengo men had decided to accept Allen's recommendations:

Further to my No.1620 of the 14th Jan. 1924 I have to report that I have at last succeeded in securing the agreement of the Kabaka and Ministers that the procedure proposed in Mr. Allen's report shall be adopted and given one year's trial-viz 1925. This has only been obtained as a result of endless discussion and in face of great opposition. It is however a great step and I am in hopes that the object lesson provided by one year's experience will be so useful that it may become a permanency. 30

Having created four officers as inspectors of works whom he could direct as he wanted, the Provincial Commissioner felt the desire to order about the Ministers at Mengo. They were hard to be led or driven according to his whims and after the above arrangement operated for a year he was in praise of it and of his newly appointed men and pouring out complaints against the Mengo men as a preamble to getting his hands on the other funds they controlled.

30. Secretariat Minute Paper No.7790 II, Native Policy of Assistance, letter by P.C. to the Chief Secretary of State of 25 Jan. 1924, Entebbe Archives.

The personnel of the Luwalo Department is excellent and from the Provincial Luwalo Inspector down they evince a great desire for active assistance and advice from the British Government but this does not find favour with the Central Government at Mengo.³¹

But how could it "find favour with them" when control over the main source of power - finance - and over the saza Chiefs was being slowly but surely taken from them?

In fact the Omuwanika and his personnel in the Buganda Treasury continued to carry on the work much in the same way as far as the 60% of money left to them was concerned. However one drawback within the Buganda Treasury was that there was hardly any scrutiny of how the money was spent, especially whether vouchers written out were correct or they were written for acceptable services or not. Invoices were not inspected and the absence of scrutiny might easily lead to embezzlement, forgery, neglect to pay instalments on loans and to money being signed for ends that were not respectable. But this had not come to light by 1925. The reason why the Protectorate officers had not taken over direction of the

31. Buganda Annual Report 1925.

Buganda Treasury was that they saw no legal justification for it. But respect for Buganda's autonomy was waning rapidly especially among the new generation of European personnel. The new officers desired centralization of authority in their hands not aggrandizement of Buganda especially when Postlethwaite was Acting P.C. from 1925 to 1926, and then P.C. from 1929 to 1933. According to Postlethwaite earlier officials were in the habit of believing that the advice given to the Buganda Treasury officers and the Lukiko would be followed since the Munge men accepted it. But as long as there were old chiefs in influential places with their ideas of running things in their own way, he felt the advice though accepted, was not followed.³²

Indeed it was not just a matter of responsibility of the employees in the Buganda Treasury that was the crucial point. There needed to be several officers in the Buganda Treasury who were of higher positions but below the Omuwanika who should make it their duty to scrutinize all the financial affairs of the Treasury. Unless there was such an arrangement and the Omuwanika took keen interest in seeing that it was being followed, the employees therein would continue in ignoring certain

32. J.R.P. Postlethwaite, I Look Back p.42 to see what he thought of the old Buganda chiefs vis-a-vis-development.

procedures. They all know that there was no body who would scrutinize their deals and then bring them to justice if found wanting. It would be very interesting to see the reaction of the Mengo Ministers if the Provincial Commissioner had suggested to them to strengthen the personnel in the Buganda Treasury which would help greater efficiency such as inspectors of accounts who would not be under the Provincial Commissioner's control. Since all evidence shows that the Mengo Ministers and the Kabaka wanted to regularize the Buganda Treasury, they were genuinely interested in getting things right, this is why all the time they left the British to look into their affairs. Indeed this so called kind of advice could be more in line with the idea of indirect rule and "teaching backward peoples to rule themselves."

But also one needs to criticize the Mengo administration. It relied too much on the Buganda Agreement to guarantee its autonomy. So there was conservativeness of an unnecessary nature which tended to benefit the chiefs and their fervent supporters. Had the administration rather initiated reform from within without waiting for

British advice, it could have removed much of the power from the British complaints and their excuse for encroaching on Mengo's autonomy. The Mengo administration tended to be inert and lacked the initiative to create new procedures. This ineptitude was ascribed to old age of chiefs by Postlethwaite though of course his real motive for saying so was to weaken their power and also direct everything according to his own wishes and ideas.

The Provincial Commissioner stuck to his feelings that despite the arrangement agreed upon which had been brought about by Allen's proposals towards the end of 1924 money continued to be misused in the Buganda Treasury at Mengo. Part of his Annual Report for 1925 went on "of the money received in commutations 40% is expended in the districts of origin and 60% at Mengo. The proportion thus allotted for headquarters expenses is, I submit, ludicrous and further the objects for which it is used are very often open to suspicion."³³ Of course the Provincial Commissioner's words show that as he had secured the 40%, he intended to try and secure the remaining 60%.

33. Buganda Annual Report 1925.

The Provincial Commissioner was implying that it was only the 40% that was spent efficiently while the 60% was being wasted away at Mengo head quarters.

The Press also continued its scathing criticisms against the way the Uganda Treasury was managing the finances.

We have frequently drawn attention in the past to the failings of the Native Government, particularly in financial matters and we feel compelled once again to urge the British Government to keep a closer watch on the activities of Mengo and its satellites - N.L.I's. We still maintain that the native public revenue and expenditure should be audited by British government officials and a very strict check kept on the usage of the public funds. Today the evils in the Native Administration are on the increase and the Government must step in and check the spread before it is too late. Investigation of the reported misuse of Lukiko funds is called for.

Let the government investigate and find out for itself the facts of which we feel sure it cannot fully be aware. It is not fair to expect the native to assume the burdens of Uganda's progress today without adequate advice and supervision. It cannot be expected that natives, who have never been accustomed to money, can deal adequately and in the best interests of the country with the large revenues of their kingdom save under the advice of the British Government's financial advisers.34

The Uganda Herald leader exhibited the feelings of the British who thought that the natives were not capable of running their affairs and that the British officers should extend their "blessed" influence over the Buganda Treasury. The Uganda Herald leader was so much in line with the thinking of Postlethwaite that one might be forgiven for thinking that it was inspired by Postlethwaite so that he could justify his next onslaught on the Buganda Treasury.

Of course by this time it could not be said that financial advice had not been given to the officers in the Buganda Treasury by the Protectorate officers. S.K. Njuki claims that by 1926 Esra Kabali who had succeeded Musajjalumbwa as Omwanika in 1925 was so efficient and particular as to how the money was being used in the Buganda Treasury that the attack on the Buganda Treasury as inefficient was hard to accept. He agrees that the Provincial Commissioner was all the time looking for ways and means of controlling more and more the affairs of Mengo. He listened to all rumours that circulated about the Ministers at Mengo.³⁵

35. O.I.S.K. Njuki 29.7.69.

The Kabaka though himself in opposition to Kagwa confirmed Postlethwaite's role. Thus he said:

Furthermore Mr. Postlethwaite did not talk favourably of Sir Apolo and at times he said unpleasant things about him openly. Also I think many people who envied Sir Apolo gave many unfavourable reports about him to Postlethwaite.³⁶

When the leader of the Uganda Herald appeared Postlethwaite was Acting Provincial Commissioner, Buganda. He was himself very critical of the Baganda chiefs because as he said in his book:

In the past, chieftainships had been granted by the Kabaka, sometimes of his own volition, and sometimes at the suggestion of his Katikkiro or other high officers, purely as gifts, to be presented to temporary favourites, usually as a reward for sycophancy. The result naturally had been that entirely unsuitable men had in many cases been selected, whose whole conception of their office and their obligation was that they could sit inside a high walled fence surrounded by many women and much beer and enjoy their prestige as chiefs, until such time as they were gathered to their fathers. Those chiefs who were mostly old men, were not only a block to development, but were beginning to form an incentive to disloyalty among the younger generation of Baganda who had received some slight education and who were, as a result, developing a critical faculty. Moreover among these younger brigades jealousy and restiveness against the older generation might well develop into opposition to their own Kabaka and native government, a result which, it

36. Sir Daudi Chwa II, p.1.

appeared to me, must be obviated at almost any cost. Honourable retirement was an entirely unheard of act, as far as the Baganda chiefs were concerned and these old men emphatically expected to live and die in their chieftainships. However, with Mr. Sturrocks's help, advice and benediction, I made a start on the clearance, and the more flagrantly useless of the old chiefs were compelled to retire, not, of course, in one fell swoop, but one by one, and as some definite occasion arose.³⁷

In this statement Postlethwaite indeed showed his prejudices. It was not true at all that in the old days "chiefships had been granted to temporary favourites of the Kabaka and usually as a reward for sycophancy." From the days of Kabaka Mwanda in the second half of the seventeenth century, to become chief one had to exhibit qualities of leadership and once a chief the position was not guaranteed for life unless the incumbent was very hard working and efficient. Slackness in duty caused the downfall of numerous chiefs. In fact one of the unique things about old Buganda was the often short-lived nature of chieftaincy, chiefs being promoted and demoted at the Kabaka's will. Few could have expected to die in office.

37. J.R.P. Postlethwaite, p.81.

While Acting Provincial Commissioner in 1925

Postlethwaite used the criticisms of the factions and the Press which were against the Ministers for his own purpose of securing greater control over Buganda's finances. He claimed that money in the Buganda Treasury was very much used in the chiefs' interest. In 1925 he annoyed Apolo Kagwa very much by remarking to the Lukiike thus:

The organisation of your government offices and finances still requires immense improvement. I must express my regret that such a large proportion of the items on your Agenda display interest in the enrichment of the ruling classes and their immediate dependants and so few deal with the happiness of the common people.³⁸

Knowing how bitter Postlethwaite was against the old chiefs and especially against Kagwa, because they would not make it easy for him to subordinate Buganda, one is sceptical as to how far he was genuinely interested in the "common people". He was using the prevalent slogan of the Lataka Party and other factions which were claiming that the chiefs were not for the people. But these groups of people were also looking for a way of getting chiefships and once they would get there one wonders whether they would have ushered in the golden era of the common

38. Sir Daudi Chwa II, p.20. Also Secretariat Minute Paper No.C160A, Personal, Sir Apolo Kagwa K.M.C.M.G., Entebbe Archives.

people. Kagwa at once answered Postlethwaite indicating that he was unrealistic and that it was the British who had brought about the unhappy situation in the administration of Buganda.

Another subject I have heard mentioned is laziness. This laziness has not been in the country long before and is the outcome of the present policy of the British Government: no Mukopi if asked would accept to work for any person nowadays. He would tell you that he has paid to you 10/- and was therefore free. We had Kasanvu formerly under the machinery of which the Kabaka could make people work. Now with the Governor's representative present, I would ask him to advise us as to the means which appear proper to him that we should adopt to subdue people to work. With regard to nvujjo referred to by the Provincial Commissioner we had our nvujjo exacted formerly and it would take long time to reiterate them, and I would ask the Provincial Commissioner to allow me to record and send to him the many items on which our former nvujjo was collected: simsim, maize, white ants, green and dried food etc. I told the Sasa Chiefs to collect nvujjo on cotton when the Director of Agriculture did not answer my letter.³⁹

This was the beginning of a series of acute disagreements between Sir Apolo Kagwa and Postlethwaite which eventually resulted into Kagwa's forced resignation on July the 23rd 1926. Postlethwaite would not accept questioning on the validity of his views. The Kabaka

39. Secretariat Minute Paper No.160A, Personal, Sir Apolo Kagwa K.C.M.C., Speech by Kagwa at opening of Lukiko Session for the month of October 1925, Entebbe Archives.

supported Kagwa while the British Governor supported Postlethwaite. When one reads Daudi's book Why Sir Apolo Resigned, one sees Postlethwaite's bias and how the whole issue was not concerned so much with bettering the administration but about who was to control it. Once Kagwa, the strong man in the Buganda government, was gone, the way for the British officers was made easier for a definite drive to start controlling the Buganda Treasury.

When Postlethwaite returned as a Provincial Commissioner in 1929 Kagwa had gone, Kabali, the Omwanika, had gone and Kisonokole the Katikkiro had also gone, all men of the 1900 agreement period who were not willing to accept subordination to the British. He found Martin Luther Nsibirwa as Katikkiro and Serwano Kulubya as Omwanika both of whom had been working in the Protectorate offices as clerks and interpreters and who were very faithful disciples of the British and willing to follow their advice to the letter. Kulubya was even nicknamed "Onuzungu agambye" (the Englishman has said) for his unquestioning acceptance of whatever the Provincial Commissioner said. The situation being such Postlethwaite fell back on his laurels of having subordinated the Buganda

government and looked on happily as to how the administration was running according to his so called enlightened ideas without any Mugenda chief opposing him. Yet we do not see any attempts made by him to better the situation of the common people all during this time to justify his attack on the self-interestedness of the old chiefs.

CHAPTER IV

THE AUDITOR REVEALS THE REAL FAILURE OF THE BUGANDA TREASURY:

The criticisms from the Press and from the Protectorate Officers against the way the finances were being run in the Buganda Treasury disturbed the Kabaka. He felt that he would be failing in his duties as the head of government if he did not enlist further expert advice from the Protectorate Officers who claimed to have the financial know-how. So he asked the Provincial Commissioner . Sturrock on his return from leave towards the end of 1926 to help. . Sturrock however had returned to stay for a very short time and Cooper was made Provincial Commissioner. Cooper in his Annual Report of 1926 reported:

Prior to the departure of Mr. Sturrock P.C. Buganda, the Kabaka formally invited the assistance of the Protectorate Government to investigate the system of Luwalo and Native Government finances and to make recommendations for improvement. After much delay, due to staff shortage, Mr. Thomas of the Audit Department together with Mr. Cox of the Administration were detailed to carry out this work.¹

The two men published their findings in a very long and revealing report in May 1927. Cooper was hopeful of the outcome of the audit report believing it would help the Buganda Treasury to put its affairs in order. He himself

1. Buganda Annual Report 1926.

was not after controlling the Buganda Treasury like Postlethwaite. This hope was indeed natural to these Protectorate officers whenever the leaders at Mengo accepted examination into their finances after public complaints. But so far when such advice was given we have seen that it was never implemented fully for the Mengo men wanted some measure of free action which the British officers hated. However the Provincial Commissioner, Buganda was hopeful of the result, saying:

I am confident that especially as it (the audit) was undertaken on the initiative and with the good will of the Native Government, the results will be of the greatest possible benefit to Buganda and should, by raising the standard of Native financial administration, ultimately strengthen the position of the Central Government.²

The findings of the audit report and the recommendations could be briefly put as follows: It was necessary to make a single financial code for the Buganda Treasury which would include all the previous ones and add necessary additions to it forming a clear financial procedure. Thus the report says:

No system of returns exists, nor is there any regulation whereby periodical examinations of the accounts are made by the Omuwanika.

2. Ibid., p. 135

e.g. examinations of vouchers with the invoices, and inspection of revenue accounts of Saza and Gombolola Chiefs. Nothing in the nature of the Treasury Financial Instructions exists whereby a full procedure is defined and the necessity for the introduction of properly defined regulations is needed. There are certain numbers of orders and resolutions but these are vague and usually extremely difficult to trace.³

It was also felt that there should be a clear definition of the responsibility of financial officers, such as the Provincial Luwalo Inspector, whose relations with the Omuwanika were vague and rather troublesome. That officer combined the duties of a Director of Public Works with those of Treasury Officer. All expenditure to be spent on the Public works had to be passed by the Provincial Luwalo Inspector and the Omuwanika had only to provide a signature to this expenditure, which meant that he had hardly any control over his officer.

Thirdly, it was found out that the method of accounting and the control of expenditure were both very faulty. For example, it was discovered that several different matters could be charged from one vote while at the same time there were specific votes for such items. This shows the lack of formal procedure in financial matters that was prevalent in the Buganda Treasury. To an untrained person in financial dealings

3. Secretariat Minute Paper No. 9263, Buganda Control of Lukiike Funds, Auditor's Report 1926, Entebbe Archives.

such a thing is unimportant. He takes the view that all the money belongs to one body and it can be used on all things for which that body is responsible. But it makes nonsense of voting certain amounts of money for certain items and it also makes accounting and control very difficult.

It was also realised that while the original estimates of revenue and expenditure were submitted to the Protectorate government for the information of the Governor, a vote in those estimates could be augmented from supplementary estimates which were familiarly known as "Nsawo Nzibizi". This "Nsawo Nzibizi" had all the money that was not spent over the past years in the Buganda Treasury. This was normally quite a large amount. However, supplementary estimates to augment a vote were never forwarded to the Provincial Commissioner, Buganda. This of course nullified the Protectorate's control which Postlethwaite had been pressing for. The Protectorate administration would give consent to expenditure that could be exceeded tremendously in the course of the year. Musanje who was the head of the Luwale works from 1920 to 1928 contends however that in the Buganda Treasury

they were determined to allow as less interference from the Protectorate officers as possible. Moreover they could not go to kneel to the Provincial Commissioner for spending their money whenever one vote got exhausted. They were mature men and if they saw that the money necessary for running a certain service was needed, they would just spend it. He also says that the Provincial Commissioner would take a long time to allow them spend the money if asked while government business needed to be done.⁴

It was also discovered by the auditor that there were vast irregularities. For example, a vote could be diverted entirely to new things for which it was never originally intended. In 1926, 4,200/- had been voted as lawyers' fees and for the purchase of handcuffs and of a printing press. This money was, however, all spent, not on the above items, but on loans for chiefs.

Besides this it was found out that impudent and obvious forgeries were taking place where stores were being bought. The system of using Buganda Treasury

4. O.I., J. Musanje, 27.10.1969.

money for buying materials made it easy for the buyer to cheat the government of Uganda. When anything had to be bought, the Accountant assessed its value and he would give the buyer this amount of money. Normally it was in excess of the real purchase price. But the money was given to the buyer with the understanding that he should return the remainder of the money, which, of course, would be verified by the invoices. But in very many cases the buyer altered the figures of the invoices and so took most of the balance for himself. The Accountant never bothered to check the invoices to see whether the figures had been tampered with.

As far as the higher officers in Uganda Government were concerned, it was found out by the audit that their petrol allowance claims could not be justified. They claimed far too high an amount of petrol for the journeys they were supposed to have made. Thus the audit reports says:

Petrol and oil seems to have been purchased at the will of the drivers and no proper logs of journeys completed as compared with the consumption of oil and petrol. Judging from the accounts it would appear that there has been an enormous wastage of these commodities. One might almost say that fresh supplies of oil and petrol have been purchased for every

journey made. Vouchers such as "Shillings fifteen for one tin of petrol to take the Minister to Kampala, i.e. about two miles 4 gallons, are frequent. The results of this lack of supervision are clearly indicated in the record of Gabriel Mukasa's defalcations.⁵

This point leads to another. This is the ir-
responsibility of the officers, especially those of a higher rank in the Buganda Treasury. They neglected their duties and the auditor was forced to comment that unless the officers in the Buganda Treasury developed a spirit of responsibility to their duties and employers, things could never improve in the Buganda Treasury. He sensed a spirit of utter indifference and negligence to duty on the part of the officers. "Had the sense of responsibility existed it would have been impossible for many irregularities mentioned to have occurred."⁶

This particularly applied to the checking of all vouchers, invoices and the number of workers said to be employed by the foremen. It was discovered that vouchers had wrong additions. Often the amount was in excess of the figures on the vouchers. Many such vouchers were never entered in the Voto Book. Goods were said to have been

5. Ibid. p. 118

6. Ibid. p. 118

bought but there were no receipts to prove whether they had been delivered. Vouchers were written out and large amounts of money paid for materials which were never delivered. On being interviewed by the Financial Commission of Inquiry after this Audit Report, the man alleged to have delivered the materials, denied that they had ever delivered the materials or received the said money.⁷

It was also found out that from 1923 onwards the Buganda government had started to give car loans to chiefs and officers in the Buganda administration. But loans had been made without condition as to repayments, interest or security. The money for loans had been raised by drawing on any available vote without reference to the service for which the vote was originally intended. From 1923 to 1926 no attempt had been made to recover the loans:

Among the persons to whom such loans have been made are found the names of the very officials whose duty it should be to see that loans are recovered e.g. Joseph Musanje, the Provincial Luwalo Inspector, Y. Suna, Deputy Luwalo Inspector, E.K. Kakooza, Accountant, Luwalo Department, Androa

7. Secretariat Minute Paper No. 9263, Control of Lukiiko Funds, Commission of Inquiry after the Auditor's Report 1926, Entebbe Archives.

Luwandagga, Ag. Onuwanika, Bakaluba,
Accountant, General Division,⁸

Another point concerned the non-observation of the 1919 financial regulations and the advice given by the Assistant Auditor in 1921 and 1924. For example, one regulation said that a quarterly statement of all revenue and expenditure should be made to the Finance Committee together with a statement of the cash in hand. The same instructions allowed for the appointment of members of the Finance Committee as examiners of accounts. However, no returns appeared to have been submitted under these instructions nor was there any record of examinations being held. Indeed this made it appear useless for the experts to give financial advice to the officers in the Buganda Treasury and to the Finance Committee. Nevertheless, it must be noted that the Kabaka was genuinely sincere in wishing to get expert advice in this department and he hoped that this advice was being followed. Such is the irony of ruling. Unless a ruler has men who are ready to

8. Ibid., p. 118

carry out his policies, he cannot rule at all according to his policies. Therefore tyrants are only possible because men who serve them and carry out their tyrannical policies are willing to see those tyrants tyrannizing people; perhaps those serving such men gain directly from the tyrant's system. A ruler may have the best of intentions, but he does not go to every corner of the administration of his departments to ascertain that everything is running as it should. So it is the men engaged in his service who must be responsible for the implementation of their master's good policies. If this does not happen the whole operation breaks down and the people who are not engaged in the administration blame the ruler at the top.

We have already seen how eager the Kabaka was to obtain advice from the Protectorate officers in order to reform the Buganda Treasury. Serwano Kulubya was the man who managed to put into operation the advice of the Protectorate officers because unlike the previous Buganda Treasurers he subordinated the Buganda government independent nature to the British officers. So he did whatever they told him to do and he had no feeling that the autonomy of Buganda had to be kept intact.

As regards the collection of revenue, the Auditor generally praised the Buganda Treasury, especially the collection of Luwalo commutation tax. He found it fairly efficiently collected and checked and he said:

On the whole the actual system of collecting Luwalo Revenue appears fairly satisfactory taking into consideration the fact that it has been evolved by the Native Government with little European assistance. The total Luwalo Revenue in 1926 was 732,234/-9

However, this judgment appears too optimistic if it was also applied to court fees, court fines and market dues collected in the counties. The Auditor did not go into the question of how court fees and court fines and market dues were collected in the counties and how the revenue from there reached the Buganda Treasury. Therefore he could not know whether the situation was well managed. For example, there was hardly any check on the Gombolola Chiefs and Naza Chiefs who collected these dues. So you could not tell whether all the dues of this nature were collected and if all were collected you could not be sure whether they all reached the Buganda Treasury at Mengo.

When the Auditor's report of 1926, the first one of its kind, was out, it seemed an obvious necessity for the Protectorate Government to impress upon the Buganda government the need for the appointment of an auditor to audit the Buganda Treasury accounts annually. The Auditor himself advised strongly that such a step should be taken. He said:

I think both the large figures of revenue (£50,000 annually), accruing to the Buganda Treasury and the large expenditure given in paragraph two of the report and the state of affairs revealed by the examination, put it beyond all doubt that audit is necessary and has been for years, whether carried out by this Department or not.¹⁰

As soon as the Audit Report was out, Cooper, the Provincial Commissioner suggested proposals which would help to control the Buganda Treasury finances. This started a battle between him, and the Kabaka together with his Ministers.

The Provincial Commissioner emphasized the point that the Protectorate government should now come in, as never before, to control the Buganda Treasury funds just as his predecessor Starrock had said in 1924 in his Annual Report:

10. Ibid., p. 148

It has been the constant endeavour to make it clear to the Native Government that so long as they demonstrate that they can work the Luwalo system on a business like basis (and also the rest of the Uganda government finances) with due regard to efficiency and economy the British Administration has no desire to assume political control, but that if they prove themselves unable to do so we have no option but to step in.††

Now the Auditor's Report had put it beyond all doubt that greater Protectorate Government control of the revenue and expenditure in the Uganda Treasury was necessary. The disregard of advice given in 1919, 1921 and 1924 showed to the British officers that it was not possible to trust Uganda officers to follow advice in the Uganda Treasury.

Though definitely fighting a losing battle, the Kabaka and his Ministers put up a strong resistance. They did not want to see the control of the finances in the Uganda Treasury passing out of their hands into those of the Protectorate officers. This indeed would mean interfering with the sanctions of the 1900 Agreement

11. Uganda Annual Report 1924.

and also with the quasi-independence of Buganda. The Provincial Commissioner, Buganda, Cooper was, however, determined to see greater control of the finances in the Buganda Treasury effected.

Immediately he outlined a procedure that would be followed in the Buganda Treasury in future. But first this procedure had to be agreed upon by the Kabaka and his three Ministers. Below is that procedure drawn up by the Provincial Commissioner, Cooper:

1. The Kabaka and Minister to write in asking if the Auditor may be appointed, official Auditor to the Lukiiko accounts so as to give the Auditor the position and authority he requires.
2. Mr. Cox and the Omuwanika with the advice of the Auditor to draw up a single code of financial regulations with a chapter on Store accounts and further to define and lay down the responsibilities of all financial officers of the Native Government.
3. There should be an appointment at once of a native examining clerk whose duties will be defined in the above code. Such Clerk to be trained in his work by the Protectorate Government.
4. All defalcations reported in the Audit Report for 1926 will be examined and reported on by a Special Committee to be appointed by the Provincial Commissioner and the Kabaka. The report will contain in each case a recommendation as to whether the sum in question should be written off

or refunded or whether legal action should be taken. Any decision that the Kabaka has already made on cases mentioned in the report will be considered by the Committee when investigating and making their recommendations but they will not necessarily be considered binding upon the Committee, as new circumstances may have come to light since these decisions were given.

5. On the appointment of the Auditor as official Auditor to the Lukiiko the audit for the current year to be commenced.
6. All alternations in procedure as necessitated by the new code of financial regulations to come into force as from 1.1.1928 so as not to upset the accounts of the present year except such procedure as can be introduced without difficulty now and if considered essential for the safe custody of public money.
7. The power of voting money and its allocation to remain as now in the hands of the Lukiiko Finance Committee subject to the right of the Provincial Commissioner to bring to the notice of the Kabaka any item which in his opinion is not voted or allocated in the best interest of the country.
8. Annual estimates of all revenues and expenditure to be sent to the Provincial Commissioner for submission to the Governor's approval after having received the Kabaka's sanction at the time when the Protectorate Estimates are passed so that there will be no overlapping.

9. When the Provincial Commissioner, guided by the advice of the Auditor, will see that the new procedure is not followed he will recommend to the Kabaka, an officer from the Provincial Commissioner's Office who will be responsible to the Governor and to the Kabaka that the new procedure is being properly carried out by the financial officers of the Native Government.
10. In view of the Auditor's Report, an Economy Committee to be appointed by the Provincial Commissioner and the Kabaka to inquire into any excesses and deficiencies of staff, together with the emoluments of such staff and the rates at present paid for stores and to advise as to what improvements can be made before the Estimates of 1928 are framed with a view of greater efficiency.
11. The procedure to be submitted to the Governor as agreed upon for his approval.¹²

Procedure No. 1 at last brought about the step which previous Protectorate desires had left out. That is to have one British person who would come annually to see whether the officers in the Buganda Treasury were following the advice of the British. This was the Auditor. This had never been done from 1919 when the Protectorate officers started to give regulations for the running of the affairs of the Buganda Treasury. The result was that the recommendations

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12. Secretariat Minute Paper No. 9263, Buganda Control of Lukiiko Funds, Procedure agreed upon and approved 29.6.1927, Entebbe Archives.

were never followed in full by the Omuwaniika and by his subordinates in the Buganda Treasury. This time the Provincial Commissioner ensured that his men should see to it that the new arrangement was being followed. If he found out that it was not being followed an officer from the Provincial Administration would be sent to sit in the Buganda Treasury itself. This would make the subordination of the Buganda Treasury complete.

The new procedure was forwarded to the Kabaka and his Ministers for them to discuss and to agree to it in toto or to change some parts that they did not like.

After discussing the new procedure the Kabaka wrote the following letter to the Provincial Commissioner:

Sir, I have the honour to inform you that after very carefully reading over the explanations on the new Draft procedure re: the Audit, I am quite satisfied with all the points contained therein with the exception of para 6 and 8 of the new Draft. I have redrafted it as under, and I am quite satisfied with it in its new form: The power of voting money and its allocation to remain as now in the hands of the Lukiiko Finance Committee. As a matter of practice, however the Estimates after being fully discussed and passed by the Lukiiko Finance Committee will be submitted by the Omuwaniika to the Provincial Commissioner for his opinion thereon prior to being signed as sanctioned by the Kabaka, the Provincial Commissioner's advice in this connection receiving the Kabaka's careful consideration before the Estimates are finally confirmed by him.

As regards para 8 I am not in favour of these words, 'His Excellency the Governor to' being included in the para, and I consider they should be omitted in the first two lines. The Omuwanika should not be made responsible to the Governor, but should only be responsible to the Kabaka who alone is responsible to the Governor in all matters affecting the proper administration of the Kingdom, according to the Agreement. And this new departure from the usual and legitimate practice hithertofore followed will only tend to create unnecessary frictions and misunderstanding between the Kabaka and his Ministers. As an instance of such possible misunderstandings between the Kabaka and his Ministers, is the fact that quite recently one Sasa Chief in Buganda in the course of his trial claimed to be considered as a British Government servant, merely on the ground that his salary had been guaranteed by His Majesty's Government of Uganda and contended that he was not amenable to the Kabaka's Courts. In the same way if the Omuwanika was made responsible to the Governor in this respect, an undesirable misunderstanding might well arise in future as to whether the Omuwanika in his capacity as such was not entirely under the control and directly responsible to the Governor in all his duties. I am therefore strongly of opinion that these words should be omitted in this part but the rest of the para should remain as it is.13

Views in Buganda varied with regard to the control of the Buganda Treasury in face of the auditor's report. The Mengo leaders definitely could not accept British control. But among some people in the public there seemed

13. Secretariat Minute Paper No.9263, Buganda Control of Lukiiko Funds, letter to P.C. by the Kabaka of 29.6.1927, Entebbe Archives.

to be a feeling that the Protectorate government should control the Buganda Treasury for some time. In the leader of Matalisi of September 7, 1927 (Matalisi being a paper against many chiefs at Mengo) there was a proposal that a European should be made a finance Director. At the same time he could train the Baganda to deal with finances. It also alleged that from the beginning money was thrown into the hands of the Baganda without any instruction. It suggested that an auditor should be brought from the Protectorate government to examine the Buganda Treasury accounts every year. But it made the point that the European take over should only last until such a time when the Baganda would have the financial know-how. Yet rumours were circulating that the Protectorate government was definitely going to take over the Buganda Treasury from the Mengo administration. Matalisi again was quite opposed to the idea of the Protectorate government taking over the Buganda Treasury. In the next month an article was in fact published on this issue entitled "EMPANDE ENU OKUYIWA EKIBERO" or, "An effort to regain a lost pea dropping down the whole basket."¹⁴ The article contended that instead of the Protectorate

14. Matalisi 25.1.1928.

government taking over the Buganda Treasury the Omuwanika and the Provincial Luwalo Inspector who had been responsible for the supervision of the expenditure of the money when the audit was made, should be dismissed and new ones more efficient appointed.

However the Kabaka and his Ministers put up a strong fight to see that the control did not slip out of their hands. They particularly disliked a regular Auditor coming from the Protectorate government over whom they would have no control and who would hardly be amenable to their wishes. Such a man might disclose many facts that could eventually take away their control over the Buganda Treasury. Therefore they suggested a Muganda Auditor of their own or another Auditor, but one who was out of the control of the Protectorate government. Thus they asserted:

Re: the appointment of a regular Government Auditor to supervise the finances of the Buganda Government, we want the British Government Auditor to examine for this year only i.e. 1927, when the new procedure shall be finished the Lukiiko hope to get a special Auditor themselves.¹⁵

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15. Secretariat Minute Paper No.9263, Buganda Control of Lukiiko Funds; letter of the Kabaka and 3 Ministers to P.C. of 7.6.1927, Ntebbe Archives.

This was indeed hard fighting on the part of the Kabaka and his Ministers, supported by public opinion, to retain final control over the Buganda Treasury. But the Provincial Commissioner was adamant. He refused to accept that the auditor should do the work for only one year, for it was necessary for the Protectorate government to assume a greater control over all Native Government finances than had been exercised in the past. He also objected to an outside auditor who was not under the jurisdiction of the Protectorate government even if one could be found with adequate qualifications. He did however accept the removal of the point from the procedure that put the Omuwanika directly under the power of the Governor. He realized that to concede this was not going to endanger the intended control over the Buganda Treasury finances by the Protectorate Government. Thus he wrote to the Chief Secretary of State:

As regards the deletion of the words 'Responsible to the Governor' in para 9, the omission is I submit, immaterial as far as the main issues are concerned and I do not wish in any way to press for their retention. The paragraph as redrafted gave the Government the necessary control that is necessary now or in the future

and especially in view of a permanent Audit.¹⁶

The Kabaka was allowed his objections to the new financial procedure. This satisfied him that the control of the Buganda Treasury did not slip away from the Buganda Government power and he consented. The Provincial Commissioner was pleased by the Kabaka's consent. He wrote to the Chief Secretary of State:

I would like to record my appreciation of the way the Kabaka and his Ministers have met me in the carrying out of these negotiations and I consider that they have honestly tried to keep before their minds the main point which I placed before them, namely the urgent necessity of rectifying all mistakes laid bare by the Audit Report and drawing up a procedure with sufficient control to prevent such a state of affairs arising again and to place the finances of the Native Government on a firm basis.¹⁷

Soon after the acceptance of the new procedure, the Kabaka, together with the Provincial Commissioner, appointed a Commission of Inquiry to look into the defalcations revealed by the Audit Report according to the 4th paragraph of the new procedure:

16. Secretariat Minute Paper No.9263, letter of P.C. to the Chief Secretary of State of 30.6.27, Entebbe Archives.

17. Ibid., p.13, footnote 16.

All defalcations in the Audit Report for 1926 will be examined and reported on by a Special Committee to be appointed by the provincial Commissioner and the Kabaka. The report will contain in each case a recommendation as to whether the sum in question should be written off or refunded or whether legal action should be taken.¹⁸

The Commission was chaired by one Cox from the Governor's office at Entebbe, and S. Kulubya and Han Mukasa were two of its members. It held many meetings and interviewed many people who were connected with the handling of the Buganda Treasury funds throughout Buganda. They also tried to examine receipt books of shops from which officers from the Buganda Treasury used to buy materials for the Buganda government business. The Committee's Report was given to the Buganda Government and to the Provincial Commissioner, Buganda in June, 1928.¹⁹

Many government officers in the Buganda Government, both in the Buganda Treasury and in other departments, were found guilty of wasting public finances, either due to their neglect of public responsibility or due to, direct embezzlement by ~~action~~. One serious case involved the

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18. Secretariat Minute Paper No. 9263, Control of Buganda Lukiko Funds Procedure, Entebbe Archives.
 19. Secretariat Minute Paper No. 9263, Report of the Commission of Inquiry into Buganda Lukiko Funds 1927-1928, Entebbe Archives.

Omuwanika Ezra Kabali, and the Provincial Luwalo Inspector Yosefu Musanje, both of whom were chief treasurers and directly involved in spending the money of the Buganda Treasury. It was discovered that the Omuwanika had in 1926 caused the Provincial Luwalo Inspector to write out a voucher for 3450/- to pay for bricks. But the money was never used for that purpose. It was alleged that the Omuwanika had used part of it to pay for a new car for himself and to help his son to pay his debts which the Buganda Government was demanding from him.²⁰

News of this scandal went to the public for the interviews were being held in public, and there was a demand that both the Provincial Luwalo Inspector and the Omuwanika should resign forthwith. But the Provincial Commissioner was sympathetic and he felt that the evidence was not sufficiently conclusive to convince him that the Omuwanika had also been party to embezzling that large amount of money. He wrote to the Governor thus:

20. Ibid., p.138, footnote 19.

My personal opinion of the Omuwanika is that he is an able man who is likely to carry out the difficult duties of his post efficiently and better than any one else and I consider that the lessons he has learnt under present conditions will not be forgotten. It must be remembered that prior to the Audit report the whole atmosphere was full of neglect and carelessness of public money. There was no proper procedure laid down to guide those responsible, discipline was slack and the higher officials though undoubtedly guilty of neglect had many difficulties to contend with such as would not have been encountered by Europeans. It is more than probable that prior to the Omuwanika's appointment things were very much worse than they were known to be in 1926.21

Indeed the Omuwanika, Ezra Kabali deserved the Provincial Commissioner's sympathy. Though the audit report of the 1926 financial year revealed gross mismanagement of funds this had been the general situation for all the previous years. The 1921 and 1924 superficial examination of the Buganda finances showed similar mismanagement. Therefore the appointment of Ezra Kabali who had become muwanika in 1925 after the death of Yakobo Musajjalumbwa need not have been the cause of the gross inefficiencies revealed.

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21. Secretariat Minute Paper No.9263, Control of Buganda Lukiko Funds, letter by P.C. to the Chief Secretary of State of 2.12.1927, Entebbe Archives.

The provincial Commissioner above talks about the Omuwanika's having worked under difficulties. This was due to the fact that he had under him as officers of the Buganda Treasury two princes, prince Musanje as Provincial Luwalo Inspector and prince Suuna as his Deputy. Both these men would not like to be given orders by Kabali who was considered by them to be their subject for they were of royal blood.²² It is not however true that the officials in the Buganda Treasury had no guidance as the Provincial Commissioner seemed to think. The regulations of 1919 coupled with those of 1924, if followed could have gone a long way to prevent the mess that was shown by the Audit Report of 1926. The problem was that when the above regulations were given to the Buganda Treasury, the officers did not follow them.

However, the Governor was one with the public in wishing that both the Omuwanika and the Provincial Luwalo Inspector should go and he thus wrote back to the Provincial Commissioner:

The Governor is surprised to learn that gross carelessness and neglect is held to be no disqualification for the very important

22. O.I. Masembe Kabali, son of Ezra Kabali, 25.10.1969.

office of Omuwanika.23

Yet the Provincial Commissioner insisted on the retaining the man and he went on:

It is in very recent times that we have had any knowledge of the Native Government finances and it is more than probable that prior to the Omuwanika's appointment things were very much worse than they were shown to be in 1926. It cannot reasonably be expected that a sudden leap can be made direct from a state of chaos and neglect of public money to a condition of affairs where such is entirely absent. Under these circumstances I submit that in the absence of any definite proof of fraud such as is now under investigation I should have been both unfair to the Omuwanika and incorrect as Provincial Commissioner in tendering any other advice to the Governor than what I have recorded in my memorandum on the subject.24.

The Provincial Commissioner understood the real situation of the Omuwanika and this may well indicate that his desire for firm control in the Buganda Treasury was not prompted by hatred of Buganda's independent running of her affairs but by the desire to see good

23. Secretariat Minute Paper No.9263, Note by the Governor to the Chief Secretary of State to be communicated to P.C. Buganda written on 6.12.1967, Entebbe Archives.

24. Ibid., p.138 footnote 19.

administration of the Buganda Treasury. In the Press a view was expressed by some people that if it was the Omuwanika or the Provincial Luwalo Inspector who had been responsible for the misappropriation of the money, that person should be dismissed.²⁵

One very serious point which arose out of that article was the implicit accusation of the Kabaka that he was guilty of favouritism if he did not dismiss the Omuwanika or the P.L.I., since one of them had been responsible for the misappropriation of the money. This kind of feeling by some factions in Buganda who were against Mengo chiefs was that chiefs at Mengo, even if they made a mistake, were never reprimanded by the Kabaka. This feeling runs throughout the whole of the period under review. Here the Kabaka was placed in an awkward situation in relation to his man the Omuwanika. Even had the Provincial Commissioner supported him, the people would not realize this, they would still think that it was the Kabaka who had retained him in service. Of course, though the Governor was the actual ruler of the Uganda Protectorate, in Buganda this was hardly felt by the Baganda. The people in Buganda believed that any

25. Matalisi 25.1.1928.

thing that was done as a government order, was commanded by the Kabaka. Perhaps here it might be said that in practice the "Indirect Rule Principles" worked very effectively and successfully in Buganda.

The Omuwanika, however, was not told to resign. But he found himself embarrassed and disappointed when the case against him and Joseph Musanje of losing money was decided in court. The judge declared that the Omuwanika Kabali had authorized the F.L.I., Musanje to withdraw the 3450/- referred to above. But the judge declared that the F.L.I. was guilty and fined him 100/-. Kabali felt that although he had won the case he was implicated as guilty. So in indignation he resigned.²⁶ But before he resigned he had helped in drawing up the financial regulations spoken of in the new procedure:

An administrative officer and the Omuwanika with the advice of the Auditor shall draw up a single code of financial regulations with a chapter on store accounts and further shall define and lay down the responsibilities of all financial officers of the Native Administration.

26. Kabali Papers A.1. KA 2/8 Makerere Library to see his letter of resignation to the Kabaka, Katalisi 21.3.1928 to see the way the case was decided.

Government.27

Many of the regulations drawn up reflect very much the situation that prevailed in the Buganda Treasury before they were drawn up; and in a way they go to show how they intended to correct the situation. For example:

There will continue to be a Finance Committee. It will consist of the Omwanika (President), the Katikkiro and Omulamazi and eleven other members chosen by the Kabaka. The Kabaka shall confine his choice to individuals with a knowledge of financial matters. The Committee shall include two non-official members, i.e. individuals engaged permanently in some non-official business of pursuit. 26

The Financial Committee from 1919 always had members who had no financial know-how. They used to be Saca Chiefs. The introduction of non-officials to the Financial Committee was an attempt to bring in some members of the community to share in the responsibility of the Buganda Treasury financial affairs and to prevent the public from thinking that the chiefs had their own private deals when dealing

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27. Secretariat Minute No.9263, Control of Buganda Funds, New Procedure, Entebbe Archives.
28. Secretariat Minute Paper No.9263, New Financial Rules for the Buganda Treasury, Entebbe Archives.

with the Buganda government finances. It was also intended as a safeguard. But of course this did not prevent the opposing factions from being suspicious about the organisation of the finances and believing that the non-official members were being out-voted or had been given bribes to swing over to the chiefs' side.

At the quarterly meeting a statement will be placed before the committee showing all revenues collected and all expenditure to date as compared with the corresponding period of the previous year and all items shall be open to discussion. The Committee should make a point of inquiry into the progress of any works or contracts on hand and the Omuwaniika will answer any questions put of a relevant character.²⁹

This regulation again reflects the situation that existed before the audit report of 1926. Work used to be given to contractors and it was the Provincial Luwalo Inspector and the Omuwaniika who were supposed to have the responsibility of supervising such work. Many times they did not do so and the work was sometimes never finished, or it was badly done, or it was finished too late beyond the terms of the contract. All this was revealed by the Commission of Inquiry.³⁰

29. Ibid., p.145 footnote, 28.

30. Secretariat Minute Paper No.9263, Report of the Commission of Inquiry into Buganda Funds 1927, Entebbe Archives.

Should any necessity arise for re-allocation of expenditure from one vote to another or of voting special sums from surplus revenue, no action will be taken unless and until a resolution has been passed by the Committee and submitted to the Kabaka for his decision and approval, whose decision in the matter shall be final. In actual practice however, any such reallocation decided upon or approved by the Kabaka shall immediately be notified to the Protectorate Government by the Omuwanika.³¹

The Audit Report of 1926 showed that money from one vote could be spent on matters not specifically included in the vote, perhaps even on things which had a vote of their own. This depended on the discretion of the Omuwanika and of the Provincial Luwale Inspector.

No loans will be made or advances of salary in excess of half of one month's pay until the sanction of the Committee has been given. Except in very special circumstances no loans whatsoever will be sanctioned other than for the purpose of permitting a chief to purchase a motor vehicle to enable him more efficiently to carry out his public duties. In sanctioning an advance of this nature the Committee will give special consideration as to the necessity of such chief being provided with a motor vehicle.³²

Before the 1926 Audit Report, chiefs, from Gombolola chiefs to Saza chiefs and other officers in the Buganda

31. Ibid., p. 145, footnote 28.

32. Ibid., p. 145, footnote 28.

Government administration, could be given loans for whatever problems they wanted to solve, and not loans strictly for motor vehicles for doing their work more efficiently. One Gombolola chief Crespo Kizito had been given a loan of 1,430/- to buy a plot (ekibanja) and yet he had not paid the loan back. They could even receive other loans without having repaid the previous ones.³³

The Committee has no power to remit any public debt i.e. any debt owned by an individual or individuals to the native government. Any question of this nature must be submitted to the Kabaka whose decision in such matters will be final.³⁴

It was common to remit a man's debt, especially if he was an influential person, as the Commission of Inquiry revealed notably in the case of Prince Suuna.

In their deliberations the Committee will remember that it is dealing with public monies, that the object of its existence is the safeguarding of public monies and that it is in a position of trusteeship to see that these monies are spent in the best possible manner, the welfare and advance of Buganda.³⁵

33. Ibid. p.145, footnote 28.

34. Secretariat Minute Paper No.9263, Control of Buganda Luklilo Funds, Entebbe Archives.

35. Ibid. p.145 footnote 28.

To show their responsibility the Committee in connection with the Provincial Commissioner, arranged lectures in public finance at Mengo, and at Gombolola and Waza headquarters. These lectures were given by Protectorate officers and some Baganda officers who were familiar with handling public finances. So cashiers and clerks connected with handling public money were given practical lessons in financial work. This paid it good results especially during the term of office of Kulubya.

All revenue except the 20% rebate appearing in Appendix F of the Protectorate Estimates and the 40% allocation to District Luvale Funds is paid in through the Omwanika's office and he is generally responsible for its collection.³⁶

The account of Luvale was closed when these regulations were drawn up. Now there remained only one account for all the revenue accruing to the Buganda Government. This had been proposed by Allen in 1924 who had set up some regulations but it had not been adopted then. The existence of two accounts tended only

36. Ibid., p.145, footnote 33.

to confuse matters because the Luwalo commutation money was not strictly spent on roads but also on other public works of the Buganda Government. Also its control by the Provincial Luwalo Inspector, who was under the Omuwanika, led to complications because the Luwalo Inspector could spend the money without reference to the Omuwanika who was supposed to sanction all expenditure from the Buganda Treasury.

"All expenditure except that falling under Appendix F of the Protectorate Estimates, is made through his office. The Omuwanika is responsible for the correctness of each payment and signs his name on each voucher in token of the fact that he is satisfied as to its correctness.³⁷

Before these financial regulations were made vouchers were signed by any of the following: the Accountant, the Omuwanika, the Provincial Luwalo Inspector; or the Cashier was told to give out cash without a voucher having been signed.

The Omuwanika has the power definitely to refuse to accept charges irrespective of whence they emanate on the following grounds: a. they do not come within

37. Ibid., p. 145 footnote 28.

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the intention or spirit of the Estimates as passed and sanctioned. b. that they are extravagant subject to reference to the Kabaka whose decision shall be final.³⁸

This regulation was strictly observed by Kulubya as we shall see later to the annoyance of so many chiefs.

At any time the Omuwanika has the power to examine invoices, the property of the Native Government with or without warning.³⁹

This again reflects what the Commission of Inquiry discovered after the 1926 Audit Report. Many invoices were found to have been forged.

As soon after the end of each month as possible all expenditure and receipts for the month, together with the entries in the Vote Book will be examined by the Omuwanika together with the Cash Book, which will have been balanced with the Bank Pass Book.⁴⁰

This again reflects the need for monthly checking which was absent before these regulations were made. This would help to prevent things from getting out of hand. Before this time no one could

38. Ibid. p.145, footnote 28.

39. Ibid. p.145, footnote 28.

40. Ibid. p.145, footnote 28.

know the real state of affairs in the Buganda Treasury, whether these vouchers were signed illegally or invoices forged, nor whether money given to some officer to bank was really banked, because at that time though there was a Bank Pass Book recommended by Allen in 1924, it was never strictly used whenever banking was being made.

The Omuwanika will sign cheques in the name of the Native Government; such cheques, however, will not be valid unless and until they are counter-signed by an officer chosen by the Kabaka.⁴¹

This second person, however, had been proposed in the Financial Regulations of 1919 but the Kabaka and the Ministers had refused to accept it because they had seen it as a gradual step of making the British officers doubt the honesty of the Buganda Ministers.

The fact that this was accepted without much discussion at this time shows that the Kabaka and his Ministers realized how little justified they were to resist it; it also demonstrated how determined the Protectorate officers were to bring about control in the Buganda Treasury in face of the chaos that had been revealed in the Buganda Treasury by both the Audit Report of 1926 and the subsequent Commission of Inquiry

41. Ibid., p.145, footnote 28.

The Provincial Luwalo Inspector should from time to time make a point of being present either by arrangement or as a surprise visit when gangs of porters, staff etc. are being paid by the District Luwalo Inspectors, or by Chiefs authorized to make Luwalo payments.⁴²

This rule developed out of the observations of the Commission of Inquiry. The Commission had discovered that the above people had false names on their pay-rolls and so asked for increased amounts of money which they themselves took.

The Omuanika shall sign all contracts for and on behalf of the Tender Board. In no case shall a contractor be paid to the total amount of the contract before the completion of the work.⁴³

Contractors were found by the Commission of Inquiry to have been paid their full money before the work had been finished. Many times they had left the work unfinished or they finished it long after the time allotted and the Buganda Treasury lost money by employing new contractors if the work had been left unfinished.

42. Ibid., p.26, footnote 28.

43. Ibid., p.445, footnote 28.

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If it appears necessary to hire a motor-car, application shall be made to the Katikkiro. The Katikkiro having satisfied himself as to the genuine necessity for the hire of a car, shall before arranging for the hire, approach the Omuwanika to find out if there are sums available to cover this.⁴⁴

The Commission of Inquiry discovered that the Omuwanika used to hire his friends' vehicles or to hire his own vehicles to the Government at rates that exceeded the official rates.

The Financial Code for the Buganda Treasury drawn up in 1928 was published in 1929 and revised in 1930, this time with the new Omuwanika Serwano Kulubya. These regulations finally brought the control of the Buganda Treasury finances into line with the finances of other local governments and of the Uganda Protectorate Treasury itself.⁴⁵ On the issue of the amended Code in 1930 the Uganda Auditor wrote to the Governor:

The proposed Regulations are very comprehensive and will bring the Lukiiko books into line with the Protectorate system of accounting.⁴⁶

44. Ibid., p.145, footnote 28.

45. The Control of Public Expenditure - published by Authority 1936 pp. 1-34. Govt. Printer, Entebbe.

46. Secretariat Minute Paper No.9263, Entebbe Archives.

But one significant fact should be remembered. The Government at Mengo collectively had no direct intention to mismanage the Buganda Treasury funds, either by using them for their own benefit or through irresponsibility. The chief cause of all the confusion was due to the fact that those working in the Buganda Treasury did not have the formal financial know-how of managing public finances. They believed that, as they were competent in managing other fields of the political administration, they were also competent in managing finances of the political administration. But on examination they had been definitely found wanting.⁴⁷

47. Secretariat Minute Paper No. 9263, Auditor's Report 1926 and Report of the Commission of Inquiry.

CHAPTER V

THE BUGANDA TREASURY ON NEW LINES

By 1930 the Buganda Treasury had been organized according to the British ideas of what a treasury should be like and the Buganda Treasury had lost its independent nature. It had been given a lengthy worked-out financial code. It was obliged to accept a Protectorate government auditor to give it advice and there was the Provincial Commissioner, Buganda, to control the expenditure as carried on by the Omuwanika. The Provincial Commissioner was expected to scrutinize the annual Buganda Estimates and also the supplementary estimates according to procedure No.7 which read as follows:

The power of voting money and its allocation to remain as now in the hands of the Lukiiko Finance Committee subject to the right of the Provincial Commissioner to bring to the notice of the Kabaka any item which in his opinion is not voted or allocated in the best interest of the country.¹

Despite this loss of independence the Buganda Treasury was well set to function in an efficient manner. The men working in it by this time had acquired some knowledge and experience as to how to handle the public

1. Secretariat Minute Paper R 25/5 Lukiiko Funds, Revised Regulations 1930, Entebbe Archives.

finances although they needed strict inspection by a very responsible man within the place. This requirement was provided in the person of Mr. Serwano Kulubya who had become the Omwanika in June 1928, when Ezra Kabali resigned. Moreover, the Buganda Treasury had, by 1930, a long list of items from which it was getting revenue and they were bringing in a good amount valued at £50,000 every year.² The number of sources had grown gradually as the cash economy and the administration grew so that by 1930 there were the following sources of revenue: court fees and fines, market dues, mailo registration, confirmation of chiefs, fines against chiefs who failed to do their duty according to the instructions of the Katikkiro, change of titles for heirs, licences for beer sales in the town of Mengo, Luwalo commutation, rent from Mulago land and income from the property of the Buganda Government sold every year.

By 1930 there was also a perceptible change in the attitude of the Buganda officers and chiefs

2. Secretariat Minute Paper No.9263, Auditor's Report 1926, Entebbe Archives.

This change was the ease with which the officers and chiefs accepted direction from the Protectorate government officers. This started when pressure had been brought by Postlethwaite as Acting Provincial Commissioner, upon Sir Apole Kagwa to resign.³ The officers and chiefs in the Buganda government administration who remained behind realized how the influence of a Provincial Commissioner could affect them if they resisted the Protectorate administrative wishes. If Kagwa, who had been at the helm of the Buganda Kingdom affairs from 1887 could be prevailed upon to resign, they too could be served with notices to resign if they did not cooperate. Moreover Cooper, who had accepted the independent nature of the Baganda chiefs and officers, left in 1929 and he was succeeded as Provincial Commissioner by Postlethwaite. He was determined to suffer no opposition from Baganda chiefs to his views of what he thought to be the correct way

3. Sir Daudi Chwa II. Why Sir Apole Kagwa Resigned, The Swift Press Nairobi, 1928, Passim and Secretariat Minute Paper No. C 160A - Personal, Sir Apole Kagwa K.C.M.C., Entebbe Archives.

of doing things. If one of these persons was both old and inefficient, then the odds were too great for him because Postlethwaite mostly ascribed inefficiency from them as due to old age and he was determined to retire all the old chiefs. During his term of office in Buganda as District officer and then as Provincial Commissioner he retired 145 gombolola chiefs out of 201. Therefore it is no wonder that from 1930 we see a noticeable change in the Baganda chiefs' and officers' attitude, a willingness to cooperate with the British officers from the Uganda Protectorate Administration.

Another reason for this change of attitude was that as the old chiefs and officers were being retired, the new ones who replaced them had not been accustomed to a long period of autonomy. So they did not resent British interference so much. Moreover, since many of them came in as a result of retiring old ones or inefficient ones, they felt that they had come in due to British pleasure and to keep their positions, they had to be amenable to their masters' views.

Among these new men was Mr. Serwano Kulubya, who began to head the Buganda Treasury in June 1928.

He came already determined to follow closely what the British officers directed him to do and he had a deep respect for the Europeans and he did not like to displease them by not doing what they asked him. Although Kulubya on being interviewed denied that he had become a treasurer as a Protectorate nominee, some of his fellow colleagues have stated that it was the British who advised the Kabaka to make Kulubya the Omuwaniika because he had been working with them as an interpreter, education inspector of schools and he had been one of the members on the commission of inquiry in 1927 to investigate the financial frauds discovered by the auditor in the Buganda Treasury and so he had impressed them as one who could do what they wanted. He was also, they said, very friendly with the British, playing tennis with them and was a member of their clubs.⁴

The history of the Buganda Treasury from 1928 to 1945 is virtually the history of Serwano Kulubya,

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4. O.I., Kulubya, 5.4.1968
 - A. Gita, 26.7.1969.
 - R. Kiwanuka, 28.7.1969.
 - B. Muliyanti, 17.1.1969.

and it is an example of how one man through hard work, efficiency and sense of public responsibility coupled with faithful subservience to the white men could dominate a situation. Of course he also had a remarkable personality that coupled together with the above qualities could not fail to make him dominating once he was in a position of power.

Although he had been favoured by both the Kabaka and the British officers, Kulubya said on being interviewed that he accepted the offer reluctantly on personal grounds he was thus said:

The Kabaka visited me at Mityana in Singo and spent two days there asking me to become the new Omuwanika. I told him to choose another man and that the post of Saza Chief in Singo was the last chieftainship I would hold in the Buganda administration.⁵

I ask him why and he told me frankly that while he was in the Gombolola of Makindye, near Kampala from 1923 he had become unpopular with many influential chiefs because he saw things from a different angle. (Nali Nfuese Nalubwa). But some of those chiefs who were working with him have stated that his unpopularity

5. O.I., Kulubya, 5.4.1968.

was due to the fact that he had been seconded by the Protectorate Government from his post as an inspector of schools to work for the Buganda Government as a gombolola chief. He was very proud of this and tended to care less about the views of his fellow chiefs for he saw himself as not coming under the jurisdiction of the powers that be at Mengo.⁶

However, he said that he was at last prevailed over by some of his close friends and by his father to become Omuwanika. These used the usual strong Kiganda traditional belief which he also knew and believed in, as a Muganda, that a man should never refuse to take up a chieftainship if asked by his Kabaka.⁷ So he agreed to become the Omuwanika and from June 1928, Serwano Kulubya dominated the Buganda Treasury.⁸

6. O.I., S.K. Njuki, 29.7.1969.

L. Mpagi, 6.1.1968

M. Kiwanuka, 28.7.1969

N. Manyangenda, 8.4.1968

E. Mkooyooyo, 15.5.1968.

7. Kabaka takubwa bwani.

8. O.I., S. Kulubya, 5.4.1968.

If we are to believe what Kulubya said, the Kabaka, Sir Daudi Chwa II was disturbed because the Buganda Treasury had become a target of criticisms by the public and by the Protectorate officers. His feelings could be, to some extent, gauged from the press of this time which is very much quoted in chapter 3. The revelation of the disorder in the Buganda Treasury by the Audit Report of 1926 and by the Commission of Inquiry of 1927-8, disturbed him greatly. He wanted an efficient man in the Buganda Treasury to direct its affairs and who would be acceptable to the British officers. He was also aware of the new procedure that said that if the Auditor of the Protectorate government found out that the new procedure was not being followed in the Buganda Treasury, the Provincial Commissioner would put his man into the Buganda Treasury to see to its efficiency. This was tantamount to taking over that Department from the Buganda administration.⁹

9. Secretariat Minute Paper No.7790 II, Lukiko Funds, Procedure No.9, Entebbe Archives.

When I at long last accepted the post of Omuwanika and went from Mityana to Mengo to thank him (okweyanza) the Kabaka lifted me off from the ground saying that it should be he to thank me rather than myself doing so. I asked him why and he said that he had been terribly worried as to who could direct the Buganda Treasury efficiently so as to stop the (olujejeemo) proverbial stories in the public and among the Protectorate officers that the Buganda Treasury was being badly managed. If you had definitely refused, I have been proposing to run the Treasury myself said Sir Daud Chwa.10

However Kulubya's statement shows how much he felt confidence in himself and how he believed that he had a mission of putting a new order into the Buganda Treasury. This high feeling about himself antagonised fellow chiefs very much especially as he went about his duties very much according to the directions of the British officers.

10. O.I., S.Kulubya, 5.4.1968.

Kulubya brought several new qualities to the Buganda Treasury however. He brought with him an experience in a strict office routine which he had seen in the Provincial Commissioner's Office for eleven years and in which he had participated. Kulubya had been on the Commission of Inquiry of 1927-8 which showed the chaos prevalent in the Buganda Treasury before the new procedure was introduced and became determined not to see it happen again in the Buganda Treasury. Moreover he came with a deep respect for his teachers. These were the British Officers under whom he had worked for about eleven years.

I worked carefully in the Buganda Treasury knowing that I was being watched by the European in the Protectorate government. Especially I did not want to let them down because they would be unhappy saying, 'is that the young man whom we had trained in our offices?'

Thus he said in one of my interviews with him and this shows how subservient he was determined to be to the British officers in disregard of the autonomous nature of Buganda. Therefore he was quite prepared to accept their advice and even to go to the length of seeking it before it was offered to him. This faithfulness to his European masters earned him great unpopularity among his

fellow chiefs and the public at large because that faithfulness undermined Uganda's glory.

With such a man as Berwano Kulubya, the Financial Regulations, which had just been introduced to guide and control the Uganda Treasury finances, had a good chance of success.

The first thing which Kulubya did was to set up the Uganda Treasury on business - like lines at the Headquarters. He divided the Treasury into sections: the Omuwanika's office, the Assistant Omuwanika's office, the Accountant's office, the Cashier's office, the Examining clerk's office and the Registry. This arrangement halted the confusion which had prevailed hitherto in the Uganda Treasury. Now business could be traced easily through the Uganda Treasury. The Registry in particular helped a lot, for papers were formerly tucked away anywhere in different rooms as soon as they had been read and they could never be seen again when required for reference. Now a real financial business sense was developed and maintained. Kulubya insisted on vouchers being written out; then their validity would be examined

by the Accountant, the Assistant Omuwanika and by himself as the Omuwanika. If correct, he would authorize a cheque to be written out. At the end of every month both the Assistant Omuwanika and the accountant would check on all vouchers, receipts and account books. The Omuwanika would examine these once a year in a general clean up. He was especially concerned to see that the money spent at any time was within the estimates which arranged and limited the finances to be spent each year. He was indeed obeying the new regulations which said:

The Omuwanika is responsible for the correctness of each payment and signs his name on each voucher in token of the fact that he is satisfied as to its correctness.¹⁶

I have interviewed numerous people who worked under Kulubya in the Buganda Treasury, all persistently say that no paper purporting to sanction payment ever escaped Kulubya's signature. Even the files show this clearly.

Having made it difficult for any money to leave the Buganda Treasury without scrutiny, Kulubya embarked

12. Ibid. p.145 footnote 28

on the task of bringing the sources of revenue into closer contact with the Buganda Treasury. This was of vital importance because if the sources of revenue were inefficiently handled, the money would not arrive at the Buganda Treasury in full. The Luwalo commutation tax, the market dues and court fees and fines, all these were by now very large revenue-producing sources, but they had previously been inefficiently handled. Year after year the Buganda Annual Reports reveal the discrepancy between Luwalo commutation and Poll Tax payers. Those paying Poll Tax were also supposed, either to work on the Buganda Public Works, or to pay a commutation fee of 10/- each. Though all Poll Tax payers were not able to pay the 10/- fee, the discrepancy was not expected to be very great between Poll Tax payers and the Luwalo commutation payers as the system of commutation tended to become universal while fewer and fewer men worked on public works to discharge their obligation. In 1931 the Luwalo Commutation became universal because it was becoming more difficult to make people work on public works due to increasing sophistication. More especially, a cash economy was developing and most people in Buganda who were liable to work on public works tended to pay

their dues in the form of money.

Now this meant that the money accruing to the Buganda Treasury would increase tremendously. The Luwalo Comutation alone brought in £71,938 in 1933.¹⁴ But it was felt that due to inefficient collections a great deal of money was not being collected or if it was, it did not reach the Buganda Treasury in full.

Kulubya now paid great attention to the printing of tickets for Luwalo Comutation receipts, for court fees and fines, for market dues and for all kinds of Buganda Treasury revenue from various sources. The numbers of these tickets and receipts were strictly recorded in the Buganda Treasury and consulted when the Saza chiefs brought in their collections every month from both the Gombolola headquarters and Saza headquarters. If any numbers were found missing and not reported as lost, the Saza chiefs were held responsible for paying the money for those tickets themselves.

13. The Luwalo Law 1930 and the Luwalo Amendment Law 1931 January, Makerere Library.

14. Buganda Kingdom Estimates 1933, Makerere Library.

It had been found out that the court fees and fines, especially from the Principle Court at Mengo, were not reaching the Buganda Treasury in full. So an Accountant was set up at the Court, his job being to keep the books in such detail that even the audit of the court fees and fines could be worked out.¹⁵

By this time many officers at the Buganda Treasury were well experienced in book keeping, the presence of Kulubya helped those who were less experienced to develop on the right lines. He arranged for European officers from the Provincial Office to give lectures every week on Friday afternoon to all officers in the Buganda Treasury on money matters. These lectures helped workers in the Buganda Treasury to become proficient in keeping accounts and in filing. In his Annual Buganda Report of 1931, the Provincial Commissioner, Buganda, Postlethwaite, remarked on the progress of the personnel of the Buganda Treasury brought about to the presence of Kulubya and by the method he had adapted to improve this personnel.

The financial affairs of the Native Government have been conducted with ever increasing efficiency due both to the intelligence and hard work of the Native personnel and continual help and sympathy of the Senior Assistant Auditor at Kampala Mr. Reginald

15. Buganda kingdom Estimates 1932, Makerere Library.

Caldwell. The organization and the position generally in this branch of Buganda life is one of the most hopeful signs for the future and the change from the corrupt unintelligent chaos of a few years ago has in my opinion been almost miraculous.¹⁶

But out in the counties those handling the collection of revenue and those who were clerks at Gombolola and Saza headquarters, working as accountants and cashiers, were very inexperienced. As Kulubya was always sending his own inspectors to Gombolola and Saza headquarters to check the collections and their record, he tried to educate them to facilitate the work of inspection. So he set up regular classes at Gombolola and Saza headquarters to train cashiers, clerks and also collectors of revenue from the villages. Experienced officers went out from the Buganda Treasury at Mengo to these headquarters to teach such men.¹⁷

This arrangement worked well so that the system of book-keeping within the Buganda Treasury and in the places where revenue came from improved. This made it more difficult for those handling public money to defraud for they could easily be found out and they knew it.

16. Annual Report 1931 Buganda Province p.57

17. Buganda Kingdom Estimates 1931, 1932.

of the Lukiiko funds", Kulubya explained to the court. He discounted it as pure fabrication that Sekanwa had given him the money and he had taken it himself, otherwise he would not have taken Sekanwa to court on discovering the loss of the funds. 13

The result of Kulubya's system was soon felt in the operation of the Buganda Treasury. The classes on finance meant that there were clerks and cashiers at Gomolola and Saza headquarters who could deal with the Buganda Treasury revenue efficiently. Successive yearly Annual Buganda Reports produced at Mengo remark on the effectiveness of this arrangement. It now produced higher revenue because it made fraud more difficult and inaccurate collections could easily be traced. The results of Kulubya's system were soon noticed by the Provincial Commissioner and by the Kabaka. Their speeches especially those given when they were opening the Lukiiko each year or at the occasion of the Kabaka's birth day reveal this. For example, in August 1932 the Provincial Commissioner at the birth-day of the Kabaka had this to say about the Buganda Treasury:

And in particular I congratulate Your Highness, on the present efficient state of the Swanika and the fact that your Finance Minister has been able to establish that so very necessary defence in substantial and increasing surplus balance of Native Government funds a considerable portion of which is invested. 20

Indeed Postlethwaite could not fail to flatter his man who was following faithfully whatever advice was coming from the Provincial Office. On hearing of this remarkable progress in the Buganda Treasury, the Editor of Ebifa paid a visit to the Buganda Treasury to see whether there was already a visible change from the days of chaos before both the Auditor's Report of 1926 and the Report of the Commission of Inquiry of 1927-8 had appeared. He then wrote in the leader of October 1932 thus:

According to what I was shown in the Buganda Treasury, I discovered that the Buganda government revenue is collected, kept, looked after and is used with the utmost care, even a mere half of a cent is not spent before scrutiny has been made as to why it should be spent and on what it should be spent and whether it had been arranged in the estimates to be spent on that item. Whatever is done about Buganda government funds, is done according to the Financial Regulations

accepted and approved by the Kabaka. 21

Again the Ebifa a paper of the C.M.S. was a pro-British paper and it was a supporter of Kulubya because also he was a staunch follower of the C.M.S. being even a member of the Namirembe Synod. So this praise from this paper was inevitable.

The following year in August, again at the birth day ceremonies of the Kabaka the Provincial Commissioner, Postlethwaite had this to say:

From reports received during the year from the officers of the Audit Department, I feel extremely delighted to know that the financial position of the Buganda government is more than sound and this is due to the skillful handling of the Lukiiko finances by the Omuwaniika, for which I wish to express my thanks to him publicly y.22

The Kabaka also went on to remark:

The Auditor's reports on Buganda Treasury finances which I have received this year, have pleased me very much, because the financial position is quite good. This has been the result of the Omuwaniika's good handling of Buganda government money. And for this reason I want to pay tribute to him openly here.23

21. Ebifa October, 1932.

22. Uganda Herald, 11.8.1933

23. Ibid., footnote 22.

Now that there was an auditor from the Protectorate Government to check what was going on in the Buganda Treasury and that Kulubya had left the view of the British officers prevail in all what was being done there the Protectorate government allowed the Buganda Treasury to handle the 20% Poll Tax Rebate. This 20% was the portion which the Protectorate government gave back to the Buganda government as accruing from the Poll Tax collected in Buganda. It was used to pay the salaries of the Kabaka, of the Baza and Gombolola Chiefs and of a few other higher officers working in the Buganda government. But from the very beginning in 1900 this rebate was disbursed by the Provincial Commissioner and by the District Officers in Buganda. This was one reason why the Protectorate government concerned itself less with the Buganda Treasury for the first two decades of the 20th century. But the fact that chiefs received their salaries from a different body that did not apparently employ them, made some chiefs at times less attentive to orders from the Kabaka and the three Ministers at Mengo. This naturally disturbed the Kabaka and his Ministers and the Kabaka had complained about this in 1927 when discussing the new procedure²⁴

24. Secretariat Minute Paper No.9263, Control of Buganda Funds, New Procedure, Entebbe Archives.

Kulubya also told me of this tendency among some chiefs when he had become Omuwanika. So the Kabaka and his Ministers begged the Protectorate Government officers to let them handle the 20% Poll Tax Rebate. After gathering the Poll Tax the British Protectorate Government would pay the 20% rebate into the Buganda Treasury in a lump sum to pay salaries of the Kabaka, of the three Ministers, the Saza Chiefs and of the Gombolola Chiefs and also to use it for other purposes since it was more than enough to pay the above salaries. Thus Kulubya said:

Since the Protectorate Government realized that this money could not be mishandled in the Buganda Treasury due to the strict control that then prevailed and since their Auditor watched it they accepted our request. So from 1933 this Poll Tax Rebate was sent direct to the Buganda Treasury.²⁵

The Revised Financial Regulations of 1930 gave considerable power to the Omuwanika and Kulubya used these powers to the full. For example, rule 22 said:

25. Buganda Lukiiko Estimates. 1933.

The Omwanika had power definitely to refuse to accept charges irrespective of whence they emanate on the following grounds:

1. They do not come within the intention on spirit of the Estimates as passed and sanctioned.
2. That they are extravagant.
3. That the charge in the nature of a loan has not been sanctioned by the Financial Committee.
4. That there is not complete evidence as to the receipt of an article for which payment is sought.
5. That the charge is more definitely one which should be charged against an individual and not against public funds.²⁶

He was in the habit of paying surprise visits to Baza and Gombolola headquarters. On arrival he would ask for the key of the revenue's safe. He would then examine the receipts against the amount in the safe.

On many occasions, I would find some papers of either the Gombolola Chief or of the Baza Chief to the effect that he had borrowed so much money to be refunded soon. I would there and then tell the person concerned to repay the money. If he would resist, I would serve him with a notice to appear before the Financial Committee at Mengo to explain his conduct," he told me. "I made also a ruling," he went on, "that if money got lost under an officer or chief that person was responsible

to pay that amount of money at once to the Buganda Treasury. Then proceedings of inquiry would start. If it was found out that he was not responsible for the loss of the Buganda Treasury money, his money would be refunded to him and the correct money would be charged according to the finding of the inquiry. 27

This ruling was incorporated in the financial regulations. But it was repealed in 1948 at the advice of the Auditor, for it laid too heavy a burden on officers and chiefs, especially if they did not have ready cash.

The Auditor advised that the principle in such cases would be that losses of cash must be reported to the Omuwanika and should be accounted for as a cash advance in the name of the officer responsible. He said:

The former procedure for chiefs was at once to make good themselves any losses discovered in their districts with the hope of obtaining a refund later from the person found responsible as a result of their inquiries. Several incidents were accidentally revealed and many others must have occurred where losses due to theft, fraud or negligence had been settled locally and had not been reported to the Headquarters. The objections to this system are two fold. In the first place a chief is liable to suffer from a sense of

grievance and frustration if he makes good a loss which he cannot recover and which was entirely due to a dishonest subordinate and no blame can be attached to himself for negligence with the result that he may have recourse to money lenders through no fault of his own. Secondly, with the increasing tendency towards unification in the clerical service, it is necessary in the interests of sound administration for defalcations to be exposed and placed on record both in the accounts and in the records of the clerical service.²⁸

When this change was made, Kulubya had already left the Buganda Treasury. But the comment of the Auditor raises several interesting points one of these points is the dread which chiefs who were responsible for handling the Buganda Treasury funds had of losing them. They would go to any lengths to restore lost money rather than have it discovered by the Kulubya system that they had lost those funds, even if it had been through no fault of theirs. Indeed this procedure was very annoying to the chiefs. The fact that the Auditors who were auditing the Buganda Treasury accounts during Kulubya's days 1928-45 had not removed this proviso, shows that they also saw it as beneficial. Few frauds and thefts were heard of during the days of Kulubya.

28. Ibid., p. 179.

Perhaps thefts happened but they were concealed by the chiefs, as the Auditor says above. But also they might have been few because of the great care the chiefs were forced to take. Thirdly, under such a strict regime, it is no wonder that many chiefs began to hate Kulubya. Many men who were Gombolola and Sasa Chiefs during the term of office of Kulubya and whom I have interviewed, have revealed how much they dreaded the arrival of Kulubya at their headquarters, either by surprise or by appointment. They were also apprehensive when it was his team of accountants who had come. These chiefs had always to have some cash around of their own lest he found a shortage in the cash in the government safe while the papers recorded the full amount. They would then make good the shortage by paying in their money.

Kulubya's system in fact centralized the Baganda Treasury funds at the head quarters. This was due to his belief that Sasa Chiefs and Gombolola Chiefs could not be trusted to disburse large sums of money on public works without great wastage. So he would leave them with very little money for spending on public business. If they wanted more they had to come to him at Mengo. But as time went on the Provincial Commissioner began to feel

that this increased centralization of funds at Mengo was inefficient and he proposed to appoint a committee which would help to improve the system by making it less centralized. This was a new Provincial Commissioner, A.H. Cox, who had succeeded Postlethwaite in 1934. The latter was very much an admirer of Kulubya's ability and he had liked him very much for listening constantly to his advice. On the Kabaka's birthday in 1935 Cox gave the following speech:

This prosperity is reflected in the collections of revenue. The Poll Tax collections for 1934 were the largest ever collected in Uganda and we have this year, after seven months only, already collected more tax than in 1934. Your own government's revenue also reflects the country's prosperity. By the end of June Luwalo commutation fees had exceeded the whole of the 1934 collections by some 60,000/-. At the present date your government has investments to 910,000/- and a reserve fund of 168,000/- while in 1934 revenue exceeded expenditure by 128,000/-.

This is sufficient to show that the financial position is good, at the same time I am not satisfied that our system in regard to expenditure and our methods for fulfilling the ordinary services of the country including public works etc., are satisfactory. On the contrary I regard them as cumbersome, wasteful, in many cases inefficient, and owing to a lack of financial honesty, over-centralized. Before I proceeded on leave in 1934 I advised the setting up of an advisory committee whose function it would be to review our present

system and advise as to how it could be improved. My advice was not accepted. I am not however discouraged by this and shall continue in my efforts to find a way to improve matters, trusting in the good sense of the Baganda to realize in good time what is in the interests of their country, and themselves. 29

In this speech the Provincial Commissioner implicitly attacked Kulubya for he was the leader in these financial affairs and must have been very forceful in defending a system which he saw as beneficial to the Kingdom. But the proposed new scheme was never heard of again which shows Kulubya's strong mindedness, though he was willing to take advice from the Provincial Officers. In fact the Provincial Commissioner had a strong case here. The over-centralization brought about by Kulubya was wasteful. Money had to be collected by the Sasa Chiefs and sent to Menge. These Sasa Chiefs had many public works to conduct and many workers at Sasa and at Gombolola headquarters to pay. They had to send all their collections to Menge and then at the end of the month go to get money for the above payments. It would have been better for the Sasa Chiefs to keep much of what money they collected and pay from it to meet the above expenses. When Kulubya left we begin to read in

The Buganda Annual Reports about money being stolen every year in transit from the Saza headquarters to Mengo and from Mengo to Saza headquarters. This was unheard of in his day on the other hand, it might have been only shielded by the chiefs, as the Auditor has said above. This then gives force to the Provincial Commissioner's remark that over-centralisation was wasteful.

Secondly, this shows how much Kulubya distrusted the ability of his fellow chiefs. Interviews have revealed that Kulubya thought of himself as the only capable man in the Buganda administration. He even assumed that the Protectorate Officers would make him Katikkiro in 1941 when his colleague and friend Martin Luther Nsibirwa was being forced to resign by the larger group of chiefs lead by both S. Namala and R. Kiwanuka against both Kulubya and Nsibirwa. He thought that he was indispensable to the efficient running of the Buganda government. He also mistakenly believed that his fellow chiefs would choose no other man for the Katikkiroship if given permission to choose one. The British officers in the Provincial administration asked Kulubya's advice whether Nsibirwa should be dropped or not Kulubya hoping that he would be the next Katikkiro advised them to let Nsibirwa go.

When Nsibirwa left, the Governor made the chiefs choose their new Katikkiro and they chose S. Wamala and Kulubya lost heavily. Then the majority of chiefs who had been hostile to both Kulubya and Nsibirwa concentrated their energies on overthrowing Kulubya.³⁰

Kulubya was also very strict about loans and he observed the letter of the law. From 1923 when loans began to be granted by the Buganda Treasury to chiefs used to get them easily both for buying vehicles and for their other needs. Some received new loans for cars or for other needs, before they had even repaid the old ones.³¹ Now Kulubya would not accept such a situation. Unless the loan was within the estimates and sanctioned by the Financial Committee it was not granted. Therefore many requests for loans were turned down by Kulubya backed by the Financial Committee of which he was Chairman. The Minutes of the Financial Committee bear out this fact very well. Once loans were granted instalments were strictly deducted at source every month. Especially now that the Buganda

30. J. S. Ssekamwa, Submission and Reaction in Buganda 1925-1945, Paper given at the Social Service Conference, Nairobi, December, 1969.

31. Secretariat Minute Paper No. 9263, Auditor's Report, and the Report of the Commissioner of Inquiry 1927, Entebbe, Archives.

Treasury, and not the Central Government paid the salaries of chiefs, it was easy to watch the repayment of these loans. It was no longer left to the discretion of the creditor to repay or not to repay as it used to be before the auditor revealed this unsatisfactory state of affairs in 1926.

Many old chiefs who were in the Uganda administration who have been interviewed have agreed that Kulubya was unfair in loan matters. He would hardly allow motor-cycle loans for chiefs especially the Gombolola Chiefs, even if they needed a vehicle for doing their work efficiently. During his term of office most of the Gombolola Chiefs had to content themselves with bicycles. Only a few were allowed motor-cycles. It was not until after 1945 when Kulubya had left, that Gombolola Chiefs started to drive small cars.

All this strict control helped to restrict the expenditure of money of the Uganda Treasury. So year by year, as the estimates show from 1929 to 1945 when Kulubya ceased being Omwanika, we see increased deposits.³²

32. Uganda Lukiko Estimates 1929-1945.

The Provincial Commissioner would then advise Kulubya to use his influence to use parts of these rising reserves to help the Protectorate Administration run the services it was supposed to run. For example the Provincial Commissioner told the Buganda Lukiiko to include in its estimates grants towards social service needs. From 1930 this item started to be a yearly charge on the estimates and in that year £1,600 was set aside for this purposes, thus Low and Pratt, say:

By a frequent exercise of his power to advise, the Provincial Commissioner greatly influenced the content of the Buganda estimates from this time.³³

One finds such advice from the Provincial Commissioner each year when estimates were being prepared by the Financial Committee of the Buganda Treasury. In 1941 the Protectorate government asked the Buganda Government to lend it a yearly sum of £5,000 which would begin to be repaid without interest after the war.³⁴ Also in the same year on the advice of the Protectorate government the Buganda Treasury lent £10,000 to the East Africa War Bonds at 2½% operated from Kenya.

33. Low and Pratt, Buganda and British Overrule, O.U.P., 1960, p.227.

34. Buganda Lukiiko Estimates, 1941.

But perhaps Kulubya could have developed more social services and built more Government buildings at Saza and Gombolola headquarters using these reserves that were being accumulated. His building programme concerned more the living houses of the Saza and Gombolola Chiefs. Other public buildings remained of thatch and wattle. These were an excellent target for arson during the riots that broke out in January, 1945 in a bid by the chiefs to drive Kulubya out of the Buganda Administration.³⁵ Even Lord Hailey, writing in 1949, blamed the Buganda Government for having spent very little money on education and other social services from 1930 to 1945 despite the fact that it was getting much revenue.³⁶ Moreover, while efficient is one thing, the creation of great reserve funds is quite another. For a poor country to accumulate large reserves is not really a progressive policy as money keeps on falling in value. So a government reserve policy over a long period is not economically wise, Kulubya might as well have paid it out in higher salaries which would in turn stimulate the economy. So while Kulubya's efficiency might have been commendable his economic policy was a blind

35. The Disturbances that occurred in the month of January 1945. Government Printer Entebbe, 1945.

36. Lord Hailey, An African Survey. O.U.F., 1945, p.452.

as especially all the reserves he accumulated from 1928 to 1945 were worthy very little in value. His policy of spending as little as possible and so accumulate reserve was pursued to earn him praise from the British officers whose auditor would every year find accumulated funds that were not spent.

But it was a pity that even his British advisers whom he thought that they knew economics, did not see the folly of accumulating deposits instead of spending the money to stimulate economic activities in the country. Kulubya confirmed the view that he was out to get credit from his British masters by boasting to me how he had managed to build up much money in the reserve and how he had begun the New Bulange Reserve Fund from which the New Bulange was built in the 1950's. "I found only 4,000/- in the Buganda Treasury, but when I felt there were 2,000,000/- in reserve."³⁷

The money lent to the Uganda Government and to the East Africa War Bonds, aroused great dissatisfaction

37. O.I., Kulubya, 5.4.1968.

among the chiefs who opposed Kulubya. They felt that it was unjust to leave their wants unsatisfied and yet lend money out to the above two bodies. They fabricated stories which are still common among older people that Kulubya was lending Buganda government money to Kenya and to local traders from which he got interest every year for himself before the Protectorate government Auditor came round to audit the accounts at the end of the year.

Kulubya however managed to get rising reserves because he tried to utilize the sources of revenue well so that they yielded as much as they could and so he deserves credit for this. It was not due to a boom in the economy of Buganda that these reserves were obtained. He took office late in 1928 and towards the end of the following year the world slump started to spread. So there was less from all sources of revenue. When the economy started to pick up in 1935, the Second World War soon followed. During this period many men who were paying the revenue accruing both to the Buganda Treasury and to the Protectorate Treasury went to the front. Also, economic activities were at

a low ebb during the war. There was a shortage of hard cash in the whole Protectorate. Many people who lived through this period still remember how hard it was for people to meet their financial obligations. This meant that court fees, court fines, market dues and Luwalo commutation and other revenues decreased. Governors Mitchell and Dundas even felt that Poll Tax should be lowered for it was too high for the people in Uganda during the war period. Yet in Buganda it was only 10/- a year per head in some counties and 15/- in the rest of Buganda.

Above all Kulubya showed himself a faithful student of the British officers who had brought him up during his first years as an office worker. He pleased the Protectorate government officers by his constant consultation with them. He thus told me:

I always wanted the advice of the British officers. If you want to get something good from someone, better listen to him. Then you learn and after that you will be able to do what you want without him, 38

This was a new development in the relationship of the Buganda government and the Protectorate government. The Buganda government from 1900 to the time when Sir

Apolo Kagwa resigned in 1926, seems to have followed a policy of self-determination and to act independently. They also tended to dislike British interference proffered under the guise of advice. In connection with the Buganda Treasury we have seen that such advice was given to the Kabaka and his Ministers in 1919, 1921 and in 1924, but they always used their discretion whether to follow or not to follow the advice given.

This reluctance to follow advice given to them by the British officers caused great annoyance to the Protectorate government officers especially if they had been transferred from other parts of Uganda where they could do as they wished without being limited by protocol from a local hierarchy of chiefs.³⁹ But during the 1930's and early 1940's there was a perceptible change of attitude to the advice of the British officers. The Buganda chiefs were seemingly taking it in good

39. J.F.R. Postlethwaite, I Look Back T.U. Boardman & Co. Ltd. p.42.

spirit but not as uncalled for interference in the way they ran their affairs. Low and Pratt attributed this change in the Protectorate Government - Buganda Government relationship to the retirement of old chiefs and the coming of young chiefs who had been less accustomed to a rule of autonomy.⁴⁰ But it was also due to the fact that these young chiefs feared the British officers lest they would dismiss them. When they got used to the routine of work however and when Postlethwaite retired in 1933 a large group of them changed their attitude to the British officers. This group was led by B. Namala and R. Kiwanuka both of whom were in very high posts in the political system of Buganda. This group opposed the subordination of Buganda to the British power and they attacked Kulubya and Nsibirwa the Katikkiro who continued to follow British advice almost doggedly.⁴¹ This attitude of hostility was strengthened by two factors in the early forties.

40. Low and Pratt, p.244.

41. Ibid., p.186, footnote 30.

One was the re-marriage of the Queen Mother (Namasole), mother of the late Sir Edward Muteesa II. Custom in Buganda had it that the mother of a Kabaka could not be married again if her husband, the later Kabaka, died. But Irene, the wife of Daudi Chwa II who had died in 1939, wanted to get married again. The Protectorate officers who had no respect for this foreign custom saw no reason why she should not re-marry if she chose. Even the Church of Uganda under a British Bishop who looked at the ancient custom as un-Christian supported the measure, together with the Katikikiro, Martin Luther Nsibirwa. This showed that the European officers and the Protestant clergy did not care about the time honoured customs of the royal family and Kiganda clans. This accentuated hostility against the Protectorate Administration.

Hostility was further aroused by the land issue. The chiefs were the greatest land owner. The Protectorate Government wanted to get land on Makorere hill to put up

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- 42 21. To see better this tangled affair of Irene, the Namasole, read J.S.Ssekamwa, submission and Reaction in Buganda 1926-1945, Paper given at Nairobi Social Science Conference, December, 1969.

college buildings after Governor Mitchell's influence in 1938 had influenced all the Governors of East Africa to set up Makerere as the highest school of learning in East Africa, to develop subsequently to a university college status.⁴⁴ The Protectorate Government wanted the Lukiiko to pass a Bill to grant the land on the hill for public amenities and to remove the owners with compensation of land elsewhere or money this suggestion from the Protectorate Government greatly disturbed the chiefs of the Wamala-Kiwanuka group in the Lukiiko and outside it and also all land-owners who were not chiefs. Once the land of Makerere was allowed to go a precedent would have been established, all private land was in danger of being grabbed by the Protectorate Government under the pretext that it was needed for the good of the public. They held the view that Protectorate Government had been given 9,000 square miles, by the Buganda Agreement of 1900, so it should build Makerere on some of that land.⁴⁴ However after the forced resignation of Wamala in 1945 the private land of Makerere went

41. K. Ingham, The Making of Modern Uganda, George Allen and Unwin 1958, p.203.

42. For seeing more about this land issue read Low & Pratt, pp. 201-292.

because the Katikkiro, Nsibirwa who had been reinstated after his resignation on the issue of the re-marriage of Naudi's former wife in 1941 supported the move as sensible. But he lost his life at the hand of a gun-man soon after the revolution, in 1945, had been passed for Makerere land to be used for setting up school buildings. All this increased hostility to the Protectorate Administration during this time, ⁴⁵

It is ironical that towards the end of the 1930's and during the early 1940's there was a period of relaxed Protectorate government control over Uganda because Governors Mitchell and Dunda wanted to give full scope to the Indirect Rule principle. But as the protectorate administration relaxed control, the Namala-Kiwanuka group of chiefs became increasingly hostile to the former administration and pressed to see that they drove their opponents, Kulubya and Nsibirwa out of office for being too subordinate to the British officers. ⁴⁶

Opposition to Kulubya was led by Namala who had become Katikkiro in 1941 after the forced resignation

45 50. For seeing another possible cause of Nsibirwa's assassination see Paper quoted on p. 185 footnote 52.

46 51. Ibid., p. 185 footnote 30

of M.L. Nsibirwa over the question of the re-marriage of Namale, the mother of the late Sir Edward Kuteba II. Many chiefs and many Baganda who were not chiefs disapproved of Nsibirwa's support of the re-marriage. Namale opposed Kulubya mainly because he feared he was a threat to his position as Katikkiro. Many European officers believed that Kulubya soared above all the rank and file of Baganda chiefs in ability and Kulubya knew of this for he was a member of their clubs. Namale as Katikkiro feared that the Protectorate administration would make Kulubya Katikkiro in his place because of his being a favourite of the British officers. Mainly as a result of the hostility that developed between the two groups of chiefs, leadership fell into obedience and even Namale realised it.⁴⁷ The Commission of Inquiry into the disturbance of January 1945 which attempted to drive out Kulubya from Mengo had this to say:

Katikkiro Namale seems to have felt that there was a very real danger of his being removed from his office as Katikkiro in favour of Kulubya whom he recognised as the strong man in the government.

47 54. E.M.K. Mulira, Troubled Uganda. Fabian publications Ltd., London, 1950.p.8.

The first definite evidence of Kulubya's unpopularity with a large section of the Saza Chiefs is to be found in a petition or letter to the Kabaka during 1943 and signed by a number of chiefs making serious allegations of misconduct against him in his capacity as Treasurer. This attempt to remove him failed; the allegations being held to be groundless to the great annoyance of the signatories. Kulubya's firm control of the public purse had aroused the bitter opposition of chiefs who had been hoping for higher pay and a less strict control over the finances and an anti-Kulubya faction grew up headed by Namala. One of their objections to him was that he allowed himself to be guided by British advice in his handling of the Buganda finances.

The Report goes on to say;

Administrative officers who were stationed in Mengo District in 1928 when Kulubya subsequently assumed office as Omuwanika say that at that time the finances of the Buganda government were in chaotic condition and that he, under the British guidance, firmly and efficiently proceeded to put them in order. That in the process of doing so he should incur dislike and enmity would seem to have been inevitable. 48

The last part of this extract however has the important implication that by 1945 the Buganda Treasury was really functioning efficiently. The report mentions the days

Report of the Enquiry into the Disturbance that occurred in the month of January, 1945, pp.5-6
Govt. Printer Entebbe, 1945.

before 1928 as days of chaos in the Buganda Treasury and yet it sees such chaos as something quite non-existent by 1945. Again we see the disinclination of many chiefs to welcome British advice, as existed before 1928. It had hidden its head during the days of the early thirties when retiring old and inefficient chiefs was a policy briskly pursued by the Provincial Administration. The newly appointed chiefs had to show good will to the British officers who had helped to put them in the positions of the retired men. Now that they were securely settled in their positions and the Provincial Administration was less likely to retire chiefs, because now the policy of Governors Mitchell and Dundas was to leave things in the hands of the Buganda chiefs, they started their opposition. The large section of chiefs led by Wamala and Kiwanuka emerged strongly to reject Protectorate advice and interference. They regarded those who did not toe the line as their enemies. In a way Kulubya and Nsibirwa had subordinated the Kingdom very much to the Provincial Administration. From the above quotation it was

obvious that the chiefs still regarded the Buganda Treasury funds as theirs to draw from at will. So Kulubya, who was taking British advice, stood in the way of their getting loans and higher salaries. But again the chiefs felt that they were justified in claiming higher salaries. At this period of the early 1940's all workers in Uganda were unsatisfied about the wages they were getting because of the cost of living that had risen quite high. As a result of pressure of all workers of the Protectorate government and of all local governments including Buganda revised wages and salaries of their workers.

The author was was young during this period at primary school, thirty miles away from Kampala, and he did not know Kulubya then. But at school and in the country side, we heard of Kulubya as the worst man at Mengo, who was opposed to the progress of Buganda. This talk was wide spread throughout Buganda. Older people and people of my age in various parts of Buganda all testify to the truth of the existence of these stories about Kulubya in their areas. He was really very much hated by his fellow chiefs who used to go round spreading stories

about him in a bid to overthrow him.

The fact that many chiefs hated Kulubya's financial ideas of the Buganda Treasury gives credence to the view that, had not a Kulubya been found as the Omuwanika, the Financial Regulations of 1938, which came as a result of the 1926 Audit Report and the Subsequent Commission of Inquiry, could hardly have been successful, particularly as from 1935 Sir Philip Mitchell was slowly giving more power to the Baganda chiefs.

Mitchell's ideas about native treasuries in Uganda favoured giving the native governments considerably more power to run their treasuries. He thought that it was more valuable to let the Africans run their own treasuries without interference from Protectorate officers, for this gave the Africans training and confidence in running their own affairs. He said:

The Native Treasury is an important and indeed an indispensable feature.

The essence of training in financial responsibilities is that they should be real. It is of more value for a Native Authority to be really and genuinely responsible for the receipt of £100 and its

expenditure than to have a thousand times that sum administered for it and in its name by some one else. 54 49

Buganda already had the power to run its finances and under Kulubya there was an efficiency comparable to that of the Treasury of the Protectorate government. What remained was for the Buganda Treasury to get its Buganda qualified Auditor. This had been envisaged in the new financial regulations framed in 1928 and put into operation in 1929. Surprisingly enough the idea was forgotten for we see no further record of it in subsequent years by the Buganda Lukiiko. It had most probably been desired in 1928 due to the fear that the Protectorate government Auditor would limit the freedom of the Buganda Treasury. Under Kulubya the Auditor's interference was not resented for Kulubya saw his visits and advice as beneficial. Kulubya also wanted the Protectorate government Auditor to deflect from him the attacks of his fellow chiefs who believed he was using part of the Buganda finances for his own interests. For if the auditor came every year to check and discovered no frauds, public rumours that Kulubya was using some of the public funds for his own interests could be of no significance.

Governor Mitchell left Uganda in 1940 for Kenya and he was succeeded by Governor Dundas. The policy of Dundas towards Buganda was similar to that of Mitchell. He came, in fact, to put into effect what Mitchell was still proposing on paper.

His trust in the good sense of Kabaka Muteesa II as a young man encouraged him to believe that if changes were brought about which would make Buganda more independent, the Kabaka would be able to control affairs without their getting out of hand. Thus Dundas in his book African Crossroads says:

In discussion the Kabaka (Muteesa II) was always respectful and eager to seek advice, but he never hesitated to express his own views. That is a virtue rare among Africans: they are prone to conceal their thoughts and are lacking in the courage of conviction. It was mainly because of the confidence I had in this young ruler that I felt it safe to relax administrative control in Buganda, which, it seemed to me, had in the past gone beyond the intention of the treaty whereunder we exercised over-rule of this 'Native State, as it was officially designated.⁵⁰

50. Sir Charles Dundas, African Crossroads, Macmillan, 1955, p.212.

While Dundas was preparing to put into effect the plans for Buganda's greater autonomy, the opposition of the Wamala-Kiwanuka group of chiefs against Kulubya was increasing, though the Kabaka had earlier dismissed their allegations against Kulubya as unfounded. The chiefs who opposed him managed to get support from both educated men and the lower classes. The chiefs and the educated men who joined them made the movement appear as if it was for the good of the people. They handed a list of grievances to the Kabaka. One concerned the sale of people's crops directly by themselves instead of by the Protectorate government helped by Asians. There was also in the petition a request for a wage rise. Another point, strangely enough, was against the chiefs, for it demanded a larger share of political power for those Baganda whom the 1900 Buganda Agreement had left out. This point apparently was included due to the pressure of the educated Baganda who had joined the movement. In this way they could feel that the movement was for their benefit. The chiefs agreed to it. However the chiefs knew that they were controlling the movement.⁵¹

In January the riots broke out, supposedly due

⁵¹ 50. Ibid., p.185, footnote 30.

to the above grievances. But the chiefs who were behind the movement knew that they were against Kulubya as some feared that the Protectorate government would make him the Katikkiro instead of Katikkiro Namala, while others hated him for his strictness as Omwanika, for he did not favour raising their salaries or granting them easy loans.

Faced by such opposition and yet not backed by the British officers, Kulubya had to resign. So on the 24th January 1945 he tendered his resignation to the Kabaka. The news of this went abroad. Almost immediately the strike came to an end and the chiefs had lost interest in the "people's cause" for they had got what they wanted. On the same night at a house in Kampala Namala was heard to express to those of his supporters present, his satisfaction that they had achieved their object.

Immediately after he had tendered his resignation all unrest abated and people went back to work. This shows that the political agitators ceased to take an interest in the labourers as soon as they had achieved one of their primary

objective which was the removal of
Kulubya. 50 52

When he was asked what he had felt about the fears of Katikkiro Namala, Kulubya said that he had had no intention or wish to become the Katikkiro and that the fears of Namala had been quite unjustified. But information from his contemporary fellow chiefs shows that Kulubya may have been less than strictly honest. He had been hoping to become the Katikkiro in 1941 when Nsibirwa was forced to resign over the re-marriage of the Namasole. He had given the Provincial Commissioner advice to leave Nsibirwa, his friend resign, hoping that he would be the next Katikkiro and he started to ingratiate himself with the Namala-Kiwanuka group of chiefs. 50 53 These flattered him into deserting his friend Nsibirwa. When Nsibirwa resigned the Governor allowed the chiefs to elect a new Katikkiro. They elected Namala to the great disillusionment of Kulubya. But he still felt that he was the ablest man in the administration of Buganda.

52-59. Ibid., p.2185 footnote 30.

53 60. O.I., Rauli Kiwanuka 28.7.1969

Kulubya however left the Buganda Treasury in a far sounder position than he had found it. Above all it was efficient. The days of financial administrative incompetency were over.

I found only 4,000/- in the Buganda Treasury when I took over in 1928. This was all the money we had to use for all services. When I left the Buganda Treasury I left 2,000,000/- in it, speaking in round figures. Besides this there was the Reserve Fund which I had started in 1933 and there was the Bulange Fund set aside each year for building the New Bulange, he told me when I interviewed him. 54

Kulubya saw his stay at the Buganda Treasury for nearly sixteen years as a period of achievement in which he had executed public duty faithfully. But most of his fellow chiefs looked at that period as a period during which he had tortured them, treating the Buganda Treasury as his own preserve, and a period during which he had done a great deal of damage by subordinating the Buganda Kingdom too much to the Protectorate will.

54 51. Kulubya found £370 15s. in the Buganda Treasury according to Buganda Kingdom Estimates 1928. When he went away in January 1945 he left £112,000 36s. according to the Buganda Kingdom Estimates 1944. The Estimates for 1945 were not done well.

CHAPTER VI

THE SEARCH FOR REVENUE AND LESS CONTROL

When Kulubya resigned from the post of Omuwanika in January, 1954, he was succeeded by Yosiya Kyazse until June as acting Omuwanika. Then in June Kaw Iya-Kagwa, one of the sons of Sir Apolo-Kagwa, was appointed the Omuwanika. Although he was connected with the chiefly families, established in power by the 1900 Uganda Agreement, he was himself a chief of a new order. He wanted business to be done at once and efficiently and he was not easily swayed by the whims of public opinion once he had made up his mind that what he wanted to be done was the right thing.¹ His background was similar to Kulubya's. He had been brought up at Budo, he had worked in the Protectorate government offices at Entebbe for some time and he then started to climb the ladder of chieftainship in the Buganda Kingdom starting in a Gombolola; he then joined the 7th African Battalion and served with distinction in Ethiopia during the Second World War. It was after the war that he became the Omuwanika succeeding Y. Kyazse. Therefore the departure of Kulubya brought in a new man whose ability was not likely to mark the already established efficient

1. K. Inham, The Making of Modern Uganda George, Allen Unwin 1958, pp.227-228.

running of the Buganda Treasury.

The departure of Kulubya as we have seen above was brought about by the opposition of a large section of chiefs who disliked his consistent obedience to the Protectorate officers and strict control of the Buganda Treasury funds. The Commission of Inquiry into causes and development of the riots of January 1945 found that many chiefs of the faction were responsible for the riots. So many of them were demoted, a few were deported and others were dismissed. This proved a deterrent to those chiefs still in the Buganda Administration who had opposed Nsibirwa and Kulubya for subordinating Buganda to the British power. For a time at least they would not press the Omwanika to raise their salaries or give loans and blame him for subordination to the Protectorate officers.

Kawalya-Kagwa quickly settled down to his new job. The first months were not very easy because Kulubya had resigned abruptly due to the pressure of the riots. So the new man was not introduced gradually to his new

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2. J.C. Ssekamwa: Submission and Reaction in Buganda, 1926-1945, Paper given at the Social Conference, Nairobi, Dec. 1969.

duties by the experienced man. However, Kulubya had organized the Uganda Treasury in such a way that a new man could easily pick up from where he had left off because there was a good group of Uganda Treasury officers and workers who were trained to deal with financial affairs. These knew their jobs so well that a change of leadership did not disturb the routine of the Uganda Treasury. The only difficulty Y. Kyasse and subsequently Kawalya-Kagwa found was that, during the riots and the few months following, nearly all Uganda government administration had become somewhat disorganized. Many chiefs had been against Kulubya and when the riots broke out they deliberately did not do their duty. Kulubya's supporters, on the other hand, feared victimization from rioters and they also did not work as they should. The Protectorate Government, however, soon sorted out the situation. It deported the supposed ring-leaders. Moreover, it deported Namala, the Katikkiro, (though he had just resigned), and a few other leading chiefs.

On the deportation of Namala, M.L. Nsibirwa who had resigned in 1941 due to the controversy of the re-marriage of the Namasole (Queen Mother of Sir Edward

Muteesa), was reinstated. But he was assassinated in September 1945 because of his connection with the grant of the Makerere land to the Uganda Protectorate government for public use. Kawalya-Kagwa succeeded him as the Katikkiro. ^{He} Kawalya-Kagwa left the Uganda Treasury having made little impression and he was succeeded by Mekeru Walusimbi. But his attitude may easily be judged from his service as Katikkiro. His Buganda Annual Reports during his term of office show that he had a keen interest in how the Buganda Treasury finances were being spent.

Kulubya's departure from the Buganda Treasury coincided with the end of the Second World War. After this war there was a rapid development of economic activities in Uganda. Uganda's coffee and cotton became greatly in demand in the world market at appreciably rising prices. New crops also were developed for sale, the most outstanding of these being maize. This crop began to be grown on a wide scale for the market whereas hitherto it had been grown purely for domestic consumption. The Department of Agriculture of Uganda Protectorate introduced an excellent hybrid of maize (Kasooli Omumandi) that was easy to grow and which was much in demand.

As it was more easily weeded than cotton people were eager to grow it though its price wavered between five and twenty cents per pound during this period. But the problem of low price could be overcome by growing maize in larger amounts. Thus cotton, coffee and maize and other crops of marketable value increased people's earnings in Uganda and the shortage of money which had been nearly every man's worry during the war, gradually lessened.

Besides this the ex-servicemen returned. They were given the nickname of "Baservveni" which was the Luganda rendering of the "men of the 7th Battalion." They came back with cash which the government had saved for them as part of their earnings during the war. Many of them spent this cash lavishly, only a few investing their savings in small businesses or things. All this had the desired effect of increasing money in circulation. Many people, besides the ex-servicemen, started small businesses in various parts of Uganda. This was not peculiar to Uganda, but was common throughout Africa, and in East Africa it was very marked among the Kikuyu of Kenya. This was the time the Buganda Government

launched a scheme of daily public markets all over the Kingdom generally known as "Malubabwe" or "Ikomera" in the district of Masaka. As money increased the sources of revenue for the Buganda Treasury also brought in large amounts. Moreover, the return of the ex-service-men increased the number of men who paid Luwalo commutation tax, since 1931 required from all. A glance at the abstract of revenue between 1945 and 1955 shows that the post war period was a period of increasing revenue.⁵

Despite this general improvement in the financial position of the Buganda government, there was an ever increasing demand for more revenue by that government. There were several reasons for this. One of them was that after the war certain services which had previously received little attention were taken in hand. More money had to be spent on roads under the management of the Buganda government. According to the Buganda Agreement of 1900 all roads in Buganda, except the high-ways joining the Buganda Province with other provinces, were under the care of the Buganda government.⁶ The expenditure

4. Luwalo Law, 30th June, 1939 in Native Laws of Buganda,

Uganda Printing & Publishing Co. Ltd. 1941.

5. Paper of figures of Revenue.

6. The Uganda Agreement, 1900. Article 14.

on roads during this period was greatly increased because of the economic expansion: people wanted roads so that lorries could carry their agricultural produce to the markets. So many small roads which hitherto could not be used by vehicles, had to be improved. This period saw many new roads being constructed through the counties so that many roads joining counties became major highways and on some of them bus services were offered. This in turn helped the internal trade of the public weekly markets.

Scholarships to Makerere and to secondary boarding schools were increased and the intake of both pupils and students increased.⁷ Also due to the Thomas Education recommendations of 1940 Buganda took over the financing of primary schools. This meant that part of the money from the Buganda Treasury had to be spent on these schools. Within the same period, Buganda started to build and run schools of its own besides those of the missionaries in a bid to be self sufficient.⁸

7. Annual Education Reports, Uganda 1945 - 1955.

8. Education in Uganda, Govt., Printer Entebbe, 1940, The Thomas Education Commission 1940.

9. J.S. Ssekamwa: The Role of Private Schools in Uganda's Educational systems, forthcoming book.

Moreover the Dundas reorganisation of the Buganda administration made Buganda more autonomous and limited the Protectorate government officers to advising the Buganda chiefs and officers.⁹ After the riots in January 1945, the position changed. The Resident Buganda and his officers resumed their supervision of the Buganda chiefs and officers, as previously, because the riots had been blamed on the changes. It was said that since the introduction of the changes Protectorate officers lacked knowledge of what was going on in Buganda and so they could not control the situation.¹⁰ Despite the resumption of the Protectorate duties of touring Buganda and closely supervising the work of the chiefs and officers, the new places created by the changes in the administration were not abolished. More 'miruka' chiefs were appointed in the villages and more officers were appointed at the Headquarters at Mengo. This meant that the Buganda Treasury would be called upon to pay more salaries. The Kabaka in his speech opening the Lukiiko session in March 1945 remarked:

9. Low and Pratt, pp.276-280.

10. The Whitley Report, Govt., Printer Entebbe 1945.

I have been able to fill up most of the new vacancies occasioned by the re-organisation in my government and now the work of my Government which had to be at a stand still for a period of five months, can be attended to.

Following on that is the state of paucity in the Treasury of my government. The creation of those posts I have just referred to, together with the expansion of the services which must be undertaken for the good of the country and in the interests of the people, including the rising of stipends paid to workers of various grades, all these demand the institution of new sources of revenue from which the Buganda government may expect to get money.¹¹

The building programme also cost the Buganda Treasury a considerable amount of money during this period. This programme was stepped up at both Gombolola and Naza headquarters. During the time of Kulubya especially the living houses of all Naza and Gombolola Chiefs were built with permanent materials instead of wattle and thatch. Yet many court buildings and prison houses, especially at Gombolola headquarters, were not of permanent materials. Many throughout Buganda were burnt down during

11. Uganda Herald, 7.3.1945.

the riots of January 1945. Now the Buganda government made an attempt to rebuild many of them in permanent materials. Those which remained in wattle and thatch were subsequently burnt down in the riots of 1949 and they had to be rebuilt with durable materials. All this had to be financed from the Buganda Treasury.

During this period the Buganda government was given the responsibility for building a number of maternity centres and dispensaries in nearly every county. This too was a drain on the Buganda Treasury finances.

Thus, although the revenue had appreciably increased compared with the pre-war period, it tended not to be enough to meet all these expenses. The surpluses accumulated by Kulubya had to be drawn upon.¹²

Unfortunately it was not only the increasing obligations of the Buganda government that tended to decrease the money from the Buganda Treasury. Men responsible for votes tended to evade the financial rules. During this period there was a reversal in the Buganda Treasury of the spirit that had been built up by Kulubya: to observe the letter of the financial regulations.

12. See comparative figures 1945-1955.

Kawalya-Kagwa as Katikkiro was greatly concerned about the looseness pervading the Buganda Treasury and in its branches where money was collected and also spent, especially at Sasa headquarters. Each year until his term of office ended after 1949 we read in the Buganda Annual reports words similar to those that appeared in the Buganda Annual Report of 1946¹

It has been noticed that in certain areas there are chiefs who are not exercising sufficient care in the expenditure of public money. It is essential that there is no excess of expenditure over the amounts estimated. All possible means to effect economy must be adopted.¹³

In nearly all his Buganda Annual Reports he also complains about the constant thefts of treasury money which were reported at Gombolola and Sasa headquarters.¹⁴

This laxity encouraged mis-allocation, mis-appropriation and excess expenditure without due authority, either given by the Finance Committee to those people who were controlling votes, or without being asked for by the Finance Committee itself from the Governor according to the Financial Regulations of 1928 and 1930.

Mis-allocations meant that planned projects tended not to be carried out, though the money from the treasury

13. Report Y'Obwakabaka Bw' buganda 1946, also other reports up to 1949.

14. *Ibid.*, footnote 13.

was not actually lost for it was spent on other work. More seriously, during this period as the Auditors' reports show, much money was diverted from planned projects and spent on advances of various kinds, particularly car advances for chiefs and officers. This gave the public the impression that the Buganda Treasury was a beneficiary of chiefs and Buganda officers.¹⁵

Mis-appropriation was more serious than mis-allocation because money disappears from the treasury. It may never be recovered even if the person responsible for its loss is found for he may fail to refund it and be imprisoned. This was common during this period. All mis-appropriations and thefts were accounted for as losses. Such incidents could be explained as due to poor observation of the Financial Regulations and to weak enforcement of the same by the Omuwanika, the Financial Committee and the Tender Board. Once the Omuwanika became less exacting than Kulubya conditions became lax in all spheres of the Buganda Treasury, for he was head of the Buganda Treasury, President of the Finance Committee and the President of the Tender

15. Minutes of the Finance Committee 1945-1955 show that car loans had a very great demand on the Buganda Treasury Finances. This file was removed from the New Bulange before I had finished working on it at the end of 1967.

Board, which bodies authorized expenditure.¹⁶

During this period contractors failed to complete buildings when they had already taken most of the money. The Tender Board therefore had to enter into fresh agreements with different people to complete the work; this meant the Treasury was paying twice for the same job. This reflected the situation before Kulubya arrived on the scene. During this period in every audit report there is a remark typical of what the Auditor said in the Audit Report of 1949:

Certain aspects of the work of the Tender Board during the year were unsatisfactory, as follows:

- a. A contract for the purchase of groundnuts and beans was approved at prices in excess of the controlled price.
- b. Certain agreements were signed with contractors before the resolutions of the Tender Board had been approved by the Resident, Buganda.
- d. A contract was signed for the erection of certain buildings, but before starting work the contractor demanded more money above the approved cost and it was given to him.

16. Secretariat Minute Paper No. R/25, Buganda
Entebbe Archives.
Lukiko Funds, Revised Financial Regularity 1930.

e. Seven buildings started in 1947 had not been finished by the end of 1949, although the relevant contracts specified a 6-8 months' time-limit for the work. The Omuwanika was "requested" to tighten up control of the time-clause in these contracts. Such delays hold up the whole building programme, because the number of African contractors is limited. This involves waste through prolonged disbursements of house allowances of those waiting for official quarters and through increased costs through delay in putting the work in hand during a time of rising prices.¹⁷

During this period expenditure was incurred against exhausted votes before supplementary provision had been authorised by the Resident and then by the Governor.

Also, unnecessary withdrawals were made from Surplus Balances when the funds required could conveniently be re-allocated from votes on which saving might confidently be expected. Moreover, the balance of the financial programme laid down in the Estimates was upset by the Finance Committee authorizing large supplementary expenditure, immediately after the beginning of a financial year or a few months before the end of a financial year. Furthermore, the Resident, Buganda was not told before money was spent. For example towards the end of the 1947 financial year, the Finance Committee authorised £6,181 as special expenditure, in January, 1948 immediately after the beginning of the financial year, it authorized £6,181 as special

17. Audit Report 1949.

expenditure and towards the end of the 1949 financial year, it authorized £40,517. The Resident, Buganda remarked on this procedure thus:

This practice has the effect of stultifying the Governor's approval of the Estimates as presented. In this way the Estimates become a sort of window dressing and do not give a true picture of the actual financial programme.¹⁸

Excess expenditure also was incurred during this period without the authority of the Governor, according to the Financial Regulations.¹⁹ After expenditure permission would be sought. For example, the excess expenditure for 1948, 1948, and 1950 was £5,561, £18,796 and £1,717, respectively. The fact that permission was usually sought after the expenditure had been made indicated that there was fear that the Governor would withhold his permission. But also it shows that the Ministers at Mengo wanted to show that they had a right to act according to their discretion without first seeking advice from the Governor. So this was a return to self assertion at Mengo which had declined when Sir Apolo Kagwa retired in 1926.

This period is characterized by the slacking

18. Buganda Annual Report 1949.

19. Ibid., p.224.

control of expenditure which was brought by the following tendencies. The Finance Committee tended to be disregarded by the Ministers who were in control of votes, that is why we read so much in the Annual Buganda Reports and in the Annual Audit Reports about misallocations and over expenditure without reference to the Finance Committee by those who were in charge of spending money from certain votes. Almost every year the Auditor made a comment in his report like the following:

In 1948 total excess expenditure of £5,561 was incurred without due authority being obtained. This shows an improvement on the unauthorised excess upon which adverse comment has been made in the last four audit reports. Similarly expenditure has taken place out of exhausted votes without the prior approval of the Finance Committee. These irregularities presuppose that funds will always be available to meet all items of over-expenditure and break down the main safeguards against extravagance and waste.²⁰

On being interviewed however, E. Walusimbi and L. Mpagi both of whom were respectively Buganda Treasurers up to 1955, have asserted that the Dundas reorganisation of Buganda government in 1940 had given much autonomy

20. Audit Report 1948.

to Buganda to function with less reference to the Resident, Buganda or the Governor. So they wanted to put in effect this granted autonomy. They wanted particularly to break away from the subordination of the Kulubya era.²¹

Similarly there was a disregard of the Financial Regulations by the Finance Committee. Although it was supposed to pass supplementary estimates, it was not supposed to allow such money to leave the Buganda Treasury before the Resident, Buganda was notified (who also advised the Governor as to what should be done).²²

Remarks like the following made by the Auditor in 1949, appear in nearly all Audit Reports during this period:

The criticism was made in para 36 of the previous Audit Report that £6,181 special expenditure was voted by the Finance Committee in January, thus upsetting within a month the balanced financial programme set out in the Estimates. In 1949 a similar situation occurred when in February special expenditure of £5,846 was authorized for the payment of 1948 debts and £7,155 additional expenditure. This is done within two months of the new financial year might be a serious matter in a year of financial stringency.²³

21. O.I., E. Walusimbi 23.11.1967.

L.Mpagi. 6.1. 1968.

22. *Proceedings of the Finance Committee, 25/5 1949, Revised Regulations 1930, Entebbe, Uganda*

23. *Audit Report, 1949*

The Resident, Buganda had the following to say:

As regards the financials section of the report it must be said that the revenue and expenditure figures which are quoted bear only an approximation to reality. A series of financial resolutions, passed after the Annual Estimates had been prepared and published, has the effect of abrogating to a considerable extent, the accepted expenditure programme. The result of this is that normal expenditure exceeds normal revenue and until this state of affairs is altered, the Buganda Government's finances cannot be considered to be on a sound footing.²⁴

This disregard of financial procedure prevailed also at Saza Headquarters where the Saza Chiefs had votes from which to spend money on public works and on public engagements. Annual reports of Buganda and Audit Reports complain about this. In particular the Saza Chiefs proved lax in their oversight of revenue collections. In 1948 the Auditor made a remark which is typical concerning Saza Chiefs at this time:

The Auditor in charge of Kampala inspected the accounts of Saza Headquarters, Bulemesi and found that the examiner of accounts there had failed in his duty to check the accounts in question over a period of two years. Also that the Saza Chief could not be absolved from blame since he had not carried out necessary inspections required by Financial Regulations.²⁵

24. Buganda Annual Report 1949.

25. Audit Report 1948.

This laxity increased no doubt, because mishandling of Treasury money was not penalized, as it had been during the days of Kulubya.²⁶ Usually in dealing with public funds it is taboo to spend public funds without authority. The person who does it is expected to refund it. Even the financial procedure of the Uganda Treasury during this time had this proviso.²⁷ Though if the offender had convincing explanation he might have been left off. But where this becomes persistent and continues without restraint, funds may easily be spent on less plausible ventures. Surprisingly enough the Protectorate Government did not make the Buganda Government officers and chiefs refund such money nor was there any proviso of this nature since the abolition of Kulubya's stringent regulation in 1948.²⁸ But even before it was abolished it seemed that the Omuwanika was not too eager to enforce it. Perhaps he feared falling out of favour with his fellow chiefs remembering what had happened to Kulubya. Both Kalusimbi and E. Mpagi, the two Bawanika who were responsible for the Buganda Treasury during this time had been against Kulubya themselves.

26. Audit Report 1948.

27. Treasury Local Financial Instructions - Govt.,
Printer Entebbe., 1947.

28. Audit Report 1948.

The absence of a stringent financial regulations and the absence of strict enforcement of all financial regulations by both the Omuwanika and the Protectorate officers, resulted, during this period, in great financial losses either by misappropriations by those handling public funds or by direct thefts.

In almost every Buganda Annual Report and Annual Audit Report during this period we read about a series of misappropriations and thefts of either cash or revenue tickets. These revenue tickets were tantamount to cash because once stolen, they were sold on the black market at reduced prices. Yet the money so obtained did not reach the coffers of the Buganda Treasury.

During Kulubya's term of office there were no references to such losses because the chiefs and other officers handling Buganda Treasury funds feared the watching eye of Kulubya and his inspectors who visited all places in Buganda where Buganda Treasury funds were collected or spent or both. Those found responsible for unauthorised expenditure had to refund the money there and then. They also feared a reprimand from the Regents at Mengo who could either demote them or dismiss them. Kulubya especially was greatly feared for his influence. Even Naza Chiefs had to be very careful in financial dealings and not only Gombolola Chiefs.

The fact that there is no reference to losses during Kulubya's term of office does not mean however, that they never existed. But due to their dread of Kulubya, chiefs and other officers tried to make them good before they became known to him at Mengo. This was the reason why the Auditor tried to abolish Kulubya's stringent rule whereby a chief or an officer had to refund forthwith any amount found wanting, though indeed he might have not been responsible for losing the money.

During this period the number of officers entitled to get car loans increased considerably due to the gradual enlargement of responsible places in the administration of the Buganda Kingdom from 1945 to 1955. Also there was an attempt to put all these officers at par with those officers working in the Protectorate administration. So they were given the same privileges especially in house allowances and car loans. This meant that car loans also increased and these were a heavy charge on the Buganda Treasury. It seemed that officers, even those whose duty did not necessitate their having cars, could be given as much money as they asked for to get a new car. The author has tried to interview some officials working in the Buganda Treasury during this period asking them

how loans in practice were given to people, because in the lists of those given loans, people who were clerks, some were getting about 500/- a month were actually being given loans.²⁹ These officials consistently confirmed that the recommendation of the three Ministers, or one of them, was the deciding factor. So though in the Financial Regulations of 1928 and 1930 there was a special regulation to the effect that a vehicle loan had to be given to a chief or to an officer, because the efficient performance of his duties necessitated his having a vehicle, this was not strictly observed during this period.

In the 1949 Audit Report the Auditor remarked on these advances thus:

The balance of cash in hand has fallen from £71,459 at the 1st January 1949 to £6,912 at the 31st December 1949. The explanation of rising reserves and falling cash balances is to be found in the ever-increasing number of advances authorized and deposits refunded during the year. In this period the balance of advances outstanding increased from £28,633 to £53,917. Some checks, however, appear advisable on the rise of advances.³⁰

Again the Auditor in 1950 remarked that the amount of money under loans was increasing beyond control.

29. Minutes of the Finance Committee, Mengo.

30. Audit Report, 1949.

Advances for the purchase of motor vehicles continue to increase in amount. The Buganda Government should consider the question of fixing an upper limit to the amount that may be advanced to an officer and further, restricting such advances to those officers who are required to make use of motor transport for the efficient performance of their official duties. 31

Also, rules regarding loans were not strictly observed. For example there was a financial regulation to the effect that loans for cars should not be granted within three years after the completion of repayment of a previous loan. But loans were granted even after a short time on completion of a previous loan. As this regulation was universally not observed by the Finance Committee, the Auditor in 1949 advised that it should be revised for it made nonsense of financial practice, and rules that are not observed have a tendency to make other rules less cared about. Either they should be repealed or they should be amended to fit the new situation.

It has not been possible to get figures of these loans to show the rising trend. For future guidance on this matter, the Minutes of the Buganda Finance Committee would be of great help.³² The Annual Estimates of expenditure

31. Audit Report 1950.

32. The file exists but before I had finished working on it the New Bulange was sealed off and all the files were bound up and sent to an officer as yet unknown destination, while a great heap of them were committed to the fire.

do not show these loans because they are under heading of "Miscellaneous" and also, as we have already seen, there were mis-allocations during this period. So money could also be diverted from the item for which it had been voted to provide money for loans.

It has already been observed that during this period revenue was rising; but it had many charges, coupled with less strict handling, made expenditure every year greater than ^{re-} current revenue.³³ When it was realised that more money and greater control of expenditure were needed, three things were done to meet the situation. One was for the Buganda Lukiiko on its initiative to look for more sources of revenue, the second was for the Protectorate government to come to the aid of the Buganda Treasury with money and the third was for the Protectorate government to bring in measures supposedly to ensure more control.

Let us take each point individually. The search for more sources of revenue started very early at the beginning of this period in 1945. In his address to the Lukiiko in March, 1945 the Kabaka said:

33. See comparative figures.

Following on the institutions of new post is the state of paucity in the Buganda Treasury of my government. The creation of these posts I have just referred to, together with the expansion of the services which must be undertaken for the good of the country and in the interests of the people, including the rise of stipends paid to workers of various grades, all these demand the institution of new sources of revenue from which the Buganda government may expect to get money to enable it to carry on its work and pay its workers. I am hoping to place before the Lukiko this question so that it may try to explore fresh avenues. Undoubtedly some of these avenues may throw certain hardships on some people but without sacrifices in certain directions the Buganda Government cannot raise sufficient funds to cope with the existing needs; also without adequate funds, the interests of the people cannot be served.

For that reason therefore, I shall like those taking part in discussions not to hesitate when they come across a source or sources that may appear to throw hardships on a certain section of people. Without making sacrifices, as I have already pointed out we shall not get anywhere.³⁴

The following month saw the Lukiko sitting to consider new ways of getting revenue. There were nine items on the agenda. These were not new taxes; they were increases of already existing taxes. These would have substantially increased the revenue had the

34. Uganda Herald 7 March, 1945.

Protectorate government accepted them. But the Protectorate government felt that they would increase the hardships of the common people and they were not put into effect.

In 1946 the Lukiiko again suggested more sources of revenue for the Buganda Treasury. It suggested that every man paying Poll Tax in Buganda should pay the Luwalo Commutation fee. From the time when this commutation fee was instituted in 1920, the chiefs, many other government officers and school teachers, were not liable to pay Luwalo Commutation fee of 10/- a year.³⁵ This was absurd for these people had permanent jobs and so they were better able to pay the fee than peasants.

This proposal had to be submitted to the Protectorate government which would give its recommendation as to the feasibility of making these other people pay the Luwalo Commutation fee. The Resident, Buganda, found out in 1946 that the Buganda government expenditure in 1947 would rise from £182,203 to £273,000 due mainly to building maternity centres and

35. Luwalo Law 1920, 1930-1931, Buganda Annual Reports 1920, 1930, 1931.

dispensaries and making new roads. The estimated revenue was £232,000 leaving a balance of £41,000. As a result of the above discussions the Luwalo fee rose from 10/- to 14/- and this became effective from January, 1947. The proviso exempting chiefs and teachers from the Luwalo fee, was abolished.³⁶ This increase of the Luwalo fee also took into consideration the fact that workers' wages had increased. They were no longer 10/-, as when the Luwalo Commutation Law had been first introduced in 1920. The official wage was by this time 14/- per month.

In 1948 the Lukiiko made further proposals for new sources of revenue. The rise from 10/- to 14/- in the Luwalo Commutation fee had not solved the problem of rising expenditure. The Lukiiko suggested the fee should be further raised from 14/- to 23/- to be paid by all those liable, yearly. Also the Omuwonika was told to make more proposals to find new sources of revenue. When submitted to the Protectorate government, the suggested rise in the Luwalo commutation fee was not accepted. It was felt that such increases would overburden the people living in Buganda.

36. Luwalo Law 1947, Buganda Annual Report 1947, Mengo.

Again in 1950 the Buganda Government wanted to find more sources of revenue, as the Katikkiro said in his Annual Report:

Because of the acute need for more funds so as to expand useful services, to enlarge Government departments for community development and to set up proper administrative machinery in the Miluka (parish), the sub-county and county headquarters, it is essential that additional funds must be obtained from somewhere. It is hoped that the Protectorate government will give a helping hand.³⁷

As a result of the above hint, a Buganda Government Committee was set up in 1951 to look for other sources of revenue and recommendation were sent to the Protectorate government for confirmation. Some of the proposals were accepted. One of the prominent proposals confirmed was the raising of the Poll Tax Rebate given by the Protectorate government as part of the Poll Tax paid in Buganda to the Buganda Treasury from 20% to 25%. This was accepted by the Protectorate Government because Poll Tax in Masaka District and Mubende District had risen from 10/- to 15/- a year for each paying person. So these two areas were brought in to line with the rest of

37. Buganda Annual Report 1950 - Mengo.

Buganda where Poll Tax for a long time had been at 15/- per person yearly. The arrangement came into effect in 1953.

In connection with the above, a Shop Law was passed. This enabled the Buganda Treasury to issue licences for shopkeepers who were trading outside townships. Licences for fishing also began to be issued by the Buganda Treasury. The Buganda Treasury was also allowed by the Protectorate government to get a rebate on all game licences, all of which money had hitherto gone into the Protectorate Treasury. An education tax of 5/- per head of all those liable to Poll Tax was set up in 1952 and it came into effect in 1953.

As a result of these committees various new sources of revenue were introduced between 1945 and 1955. These increased the amount of money accruing to the Buganda Treasury. However at Headquarters oversight of expenditure continued lax due to inadequate control.

The Protectorate government took the next step to increase revenue in the Buganda Treasury. Although the Buganda government was responsible for running its own services in the Kingdom, the Protectorate government had an over all obligation to see that all local governments

in Uganda were in a position to run the services given to them by the Protectorate government. In a way the local governments were branches of the Protectorate government machinery. So if the Buganda government would not get sufficient funds from the sources available to run the necessary services, the Protectorate government had a duty to give financial help to the Buganda government. From 1947 the Protectorate government started to grant large sums of money to the Buganda Treasury as Coffee Bonus, Cotton Bonus and Maize Bonus. These bonuses were assessed according to the tons of coffee, cotton and maize produced yearly within Buganda. For each 100 lb of cotton produced in Buganda the Buganda treasury received 1/50. In the case of coffee and maize the Protectorate government shared the profits from the sale of those crops produced in Buganda with the Buganda Treasury. This arrangement was also made to encourage the growing of these commodities by the people in Buganda and the chiefs had to work hard encouraging the cultivators to grow more. Thus the Buganda Annual Report 1947 reports:

This year of 1947 it was made known to the people in the official newspapers and non-official newspapers that the Government of U.G. The Kabaka was given by the Protectorate government £180,000 or 3,600,000/- from the

profits of cotton and coffee. This money will be used on the works of the Buganda government especially on works that directly benefit the common people. For this reason all Baza and Gombolola Chiefs and Miruka men were asked to give their views as to how this money should be used. Farmers, traders and others were also asked. Majority opinion favoured the building of roads, schools maternity centres and dispensaries and the buying of coffee ginneries. But it was decided to appoint a committee to look into these views.

The Buganda government also received from the Protectorate government 1,415,436/- as a share of maize profits. We hope to use this money to make roads and this will start as soon as cement is available to enable us to make quite strong bridges. 38

The bonus from maize was specifically earmarked for developing roads in Buganda to help cultivators transport their produce easily. It was an indication to them that by working hard on the production of crops their areas could directly benefit.

The money received from the above three bonuses helped to stabilize the revenue of the Buganda Treasury. Although the revenue from other sources was increasing, as the figures show, expenditure was increasing even more rapidly. The revenue by itself could not meet the expenditure. In his Annual Report on Buganda in 1949,

the Resident, Buganda had this to say:

During the year under review the position has been saved by what may best be considered as a series of windfalls, namely the Buganda government's share of the cotton and hard coffee fund, the one 1/50 per 100 pounds in respect of raw cotton sold in Buganda and maize profit. These form variable additions to the finances of the Kingdom and are used for development projects but they cannot be considered as in any way relevant when it comes to balancing the annual budget. 39

In the report of the following year he continued:

The Revised Estimates for 1950 reveal that the general financial position is similar to that reported last year; normal expenditure has exceeded normal revenue and the most pressing need remains that of increasing recurrent revenue. However the receipt of special funds, particularly the cotton bonus of 1/50 per 100 lb of seed cotton produced in Buganda has enabled the Buganda Government to balance its budget and at the same time carry out an extensive programme of capital works consisting mainly of buildings and improvements to "bulungibwansi" roads.

Mention should also be made of the allocation from the Coffee Profits Fund of about £242,000 to the Buganda Government. No actual expenditure from this fund was incurred during 1950 but the money will be used for development and welfare projects, the most important of the proposals which have been approved in principle being the furtherance of technical education,

Junior Secondary schools and mechanical agriculture, the coffee factory and the improvement of rural water supplies. It is windfalls such as this that have enabled the Buganda Government to push forward with their capital programme inspite of inadequate recurrent revenue.⁴⁰

Besides the rebate on cotton, coffee and maize profits, the Protectorate government helped Buganda more directly in building roads. During this period the roads under the care of Buganda government increased. Because of the increased crop production throughout, new roads were necessary to transport the produce. The result was that many roads became highways similar to many of those under the care of the Protectorate government joining the provinces to the capital. But the Buganda government alone could not get money to develop and maintain these roads. Some of them even needed strong bridges which the Buganda government could not afford to construct. So from 1948 the Protectorate government started to grant a large sum of money to the Buganda Treasury for the maintenance of roads. In 1948 - 49 the grant was £26,254; in 1950 it was again £26,254 and in 1951 it was £27,686.⁴¹

40. Buganda Annual Report 1950. Resident. Buganda.

41. Buganda Lukiiko Estimates. 1949, 1950, 1951.

Besides this, from 1951 there was money granted yearly to the Buganda Treasury by the Protectorate government for development. The Buganda Treasury was told to put up £2,500 yearly for this and the Protectorate government contributed the same amount of money. This money was spent on the following

- a. To buy materials and put up buildings of sub-grade schools.
- b. To pay wages for those who taught adults.
- c. To develop games in each Saza.
- d. To build dams and to repair wells.
- e. To buy guns and poison to kill dangerous animals that destroy crops such as monkeys. 42

From July 1st 1954 due to new changes in the Buganda kingdom administration brought about by the Wallis Report, the Protectorate government gave over to the Buganda government the running of all dispensaries, hospitals, education, agriculture and animal husbandry.⁴³ But the Protectorate government agreed to give the Buganda Treasury money to meet these new responsibilities:

42. Buganda Lukiiko Estimates, 1951, 1952, 1955.

43. Buganda Annual Report - Mengo, 1954 The Wallis Report on Local governments in Uganda, Govt. Printer Entebbe, 1953.

to build offices, to buy materials for working, instruments for doctors, ambulances and to build three houses for three other ministers. The Protectorate government granted £148,000 that year to the Buganda Treasury. However, it was made clear that in future the Buganda Treasury itself was to find the money to maintain these new responsibilities. 44

The financial aid which the Protectorate government provided helped to tremendously to save the Buganda government from serious financial straits. From 1950 on-wards expenditure had been lower than the revenue, a balance was achieved, as the Resident had argued, as a result of windfalls which could not be relied upon forever and so it was necessary to find more reliable sources, to make the available sources yield more than they were doing or to spend more economically. To achieve the first possibility would mean that the economy would need to expand substantially so that the people could pay higher rates of tax. In his report of 1950, the Auditor had the following to say:

The surplus of £86,999 for 1950 suggests that the finances of the Buganda government are in a strong position but it should be borne in mind that this surplus is largely due to non-recurrent revenue. The surplus

of recurrent revenue over recurrent expenditure is only £13,972. As recurrent expenditure is increasing year by year it is obvious that steps will have to be taken in the near future to increase revenue to guard against the day when grants from the Protectorate government may be no longer forthcoming.⁴⁵

Moreover from 1950 the yield of revenue increased mainly because of the rise in coffee and cotton prices.

The Auditor went on to say:

The surplus of revenue over expenditure in 1950 was due both to a greater yield of revenue than was expected to be obtained from the people.

The total revenue collected during the year amounted to £511,561, an increase of £62,153 over the collection of 1949. Grants from the Protectorate government and reimbursement from Special Fund amounted to £199,311 as against £137,863 in 1949, so that over all recurrent revenue amounted to £312,250 or £705 more than in 1949.⁴⁶

In his Annual Report of 1951, the Resident, Buganda said:

The Revised Estimates from 1951 reveal that a further addition to the surplus balances will result on the year's working. The Director of Audit observed in his last Annual Report that the surplus balances had already reached and passed the safety level of three - quarters of the year's recurrent revenue, and in 1951 the position

45. Audit Report, 1950.

46. Audit Report, 1950.

was further consolidated, the ordinary surplus balances reaching a total of over £350,000. This healthy position has only been achieved as a result of the continued payment of the cotton bonus of 1/50 per 100 lb of seed cotton produced in Buganda. Had this source of revenue not been available an over all deficit would have been sustained.⁴⁷

The Buganda Treasury finances were further established by the introduction of the debating of estimates in full Lukiiko, the introduction of revised estimates and the appointment of elected members to the Finance Committee. It had been noticed that although money reached the Buganda Treasury in full, the men handling it in the Treasury were somewhat unscrupulous. As the auditor in 1949 said: "The weakest point in the system in at the Headquarters"⁴⁸.

It was felt by the Protectorate officers that it did not help the control of funds for the Buganda Treasury to make annual estimates which were not debated in the Lukiiko. So discussion continued in 1949 between the Kabaka and the Resident to introduce the debating of estimates in the Lukiiko. Thus the Resident, Buganda said:

47. Buganda Annual Report 1951 - Resident Buganda.

48. Audit Report 1949.

In connection with the submission of the 1949 estimates, I discussed with the Kabaka a proposal to have the estimates debated and passed by the Lukiiko. Hitherto, the share of the members in budget matters has been confined to hearing the reading of a summary of the estimates. It was decided that in future years the draft estimates should be examined in detail by a reformed Finance Committee which would draw the attention of the Lukiiko to any point which may be required to be settled by the full council in open debate. When sufficient experience of this new procedure has been acquired it should broaden the basis of responsibility for the conduct of public affairs and provide a safe guard against extravagance.49

The Resident also proposed in 1949 to introduce Revised Estimates of revenue and expenditure. Again this was proposed as a measure of control over the funds that had reached the Buganda Treasury.

The Revised Estimates of revenue are to be based on the tax and other collections as to the 30th June. The revised expenditure estimates will comprise the figures of the original Estimates as amended by all supplementary expenditure and reallocations approved by the Finance Committee up to the 30th June. The purpose of this innovation is to give in the middle of the year as clear a picture as possible of the state of the Buganda government finances. Previously the Finance Committee has had no guide as to whether revenue was likely to exceed expenditure during the current year and therefore could adopt no general policy towards requests for supplementary provision. The Committee's decisions were based on guess work tempered with optimism. The introduction of Revised Estimates should now strengthen the control over expenditure of Headquarters

and will be a useful basis for the preparation of the Estimates for the succeeding year.⁵⁰

A further device for controlling the expenditure of the Buganda Treasury funds was again introduced by the Resident Buganda in consultation with the Kabaka and his ministers in 1949. The Finance Committee and the Tender Board were to have directly elected members. The public and the Protectorate officers used to feel that the officials on these bodies accepted claims on the Buganda Treasury funds too easily. The Audit Report of 1949 said among other things:

The composition of the Finance Committee and of the Tender Board was revised in order to provide for the appointment of elected representatives to these bodies. Previous to October 1949 the Committee consisted of the three ministers and eleven other members of the Lukiiko chosen biennially by the Omuwanika and approved by the Kabaka. The reformed committee consists of the three ministers, four officials appointed annually by the Omuwanika and six non-official members to be elected annually by the full Lukiiko and approved by the Kabaka.

Similarly the Tender Board formerly consisting of five members nominated by

50. Buganda Annual Report 1949 - Resident Buganda.

the Kabaka now comprises the Omuwanika as President with two officials nominated by him annually and two non-officials chosen annually by the six non-official members of the Finance Committee.

It is hoped that these changes may lead to a firmer control over expenditure.⁵¹

These changes were in operation by 1950.

The Auditor Reports:

The year marked an important step in the democratization of the Lukiiko in that, for the first time in the history of Buganda the Estimates for 1951 were discussed and approved by the Great Lukiiko.⁵²

This was felt to bring about the desired control. It also followed the example of the Protectorate Government which discussed its Annual Estimates in the Legislative Council. Now the Buganda Treasury finances were no longer a concern of only the Omuwanika and the Finance Committee. Through their representatives the Buganda Treasury finances became the responsibility of the whole country. These representatives allowed the sums in estimates to be spent. Increased control, however, was

51. Audit Report. 1949.

52. Audit Report. 1950.

not achieved. Once the estimates had been passed, the position was undermined as those responsible for votes evaded the financial regulations. Those people were the three Ministers at Mengo where "the link in the system was weak."⁵³

The final development of the Buganda Treasury and its relationship with the British Protectorate came when Saza Chiefs were made sub-accountants of the Buganda Treasury. This idea was devised by the Auditor to prevent loss of cash on the way from the counties to the Buganda Treasury at Mengo and from the Buganda Treasury back into the counties to pay the labourers there. Saza Chiefs, as revenue collectors, started to use part of the collections to finance their public expenditure. Saza Chiefs who were in-charge of small counties and who could not collect enough money to pay out, would be helped by remittances between Chests. This arrangement was thought to solve the problem of money getting lost in constant transit forwards and backwards. Secondly, the Auditor had observed that there was confusion when money was drawn by the Buganda Treasury at the end of the month to be given to the Saza

53. Audit Report, 1949.

Chiefs for their expenditure in the counties. This led to losses. The Auditor said:

There is the necessity of introducing a system of imprest. Certain officers who are required to pay labourers in different localities are not aware before drawing funds from the Treasury of the exact sum required after taking into account deductions for fines and absentees. A gross sum of money therefore has to be drawn as if the full labour force had worked full time. Subsequently a refund to revenue is made in respect of fines and deductions for absentees. This system is liable to abuse and the risk might be minimized if the paying officers became imprest holders.54

This system became established in 1949 and it was working well by 1950 so that the Auditor remarked in 1950:

Since county chiefs are revenue collectors and at the same pay out the salaries of Government employees in their areas, the process of devolving the duties of sub-accounts to them is now complete. This is a good arrangement because it lessens the risk of transporting money forward and backward.55

The Uganda Treasury had to send examiners to verify the accounts of these sub-accounts. Once a year the Uganda Audit Department would send surveys to them also. This was intended to prevent them from

54. Audit Report, 1950.

55. Audit Report, 1950.

spending the public funds on less plausible ventures.

Despite the above series of measures introduced into the Buganda Treasury by the Protectorate Government to control the funds more strictly during the last period of this study, we see that the Protectorate Government was still lenient with the Buganda Government concerning its financial dealings in the Buganda Treasury. Though there were yearly Protectorate government audits complaining against lax control, the Protectorate Government never took steps to refuse grants of money to the Buganda Treasury. It continued to give grants such as the big coffee, maize and cotton bonuses. Even the Wallis Report of 1953 on African Local Government remarked:

Monthly statements of accounts are sent to the Audit Department in Kampala and in due course audit queries are sent out. An audit inspector visits each African Local Government once a year to make an interim audit and to give advice on the keeping of accounts. But the annual audit is done at Kampala and the report is written in general terms, more for public information than specially for the African Local Government in question. There is no regular procedure for subsequent action.⁵⁶

56. Ibid., p. 247, footnote 43.

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Subsequent action was necessary where control was loose. More stringent regulations were necessary to punish those who used public funds without permission. The Auditor in 1950 complained:

Year by year the same type of irregularities recur; they all related to the control over expenditure at Headquarters, which is at present the weakest link in the accounting system i.e. spending more money on exhausted votes without authority for supplementary estimates, paying bills to contractors before even examining the work done, engaging officers to new posts not provided for in the estimates without prior approval of the Finance Committee or of the Resident, Buganda.57

The Auditor General in the 1951 Audit Report said:

It is apparent from the 1951 accounts that the control over expenditure still leaves much to be desired. The following points, though for the most part mentioned in previous reports, require particular attention.

a. Withdrawals from Surplus Balances should not be authorized by the Finance Committee if there is any possibility of re-allocating savings on votes already authorized in the estimates.

b. Authority for supplementary provision should always be obtained before expenditure is made out of exhausted votes.

c. Payments of bills etc. should be made during the year to which they relate except under very exceptional circumstances. Debts incurred in 1950 and paid in 1951 totalled £8,032.

d. Purchases have been made before obtaining the requisite sanction from the Tender Board.⁵⁸

This shows how the men in-charge of votes from the Tender Board and the Finance Committee were becoming more independent. Yet many of these men were members of the above two committees, for example, the three Ministers who controlled votes. So they ensured that nothing would be seriously queried from these two committees. The principle of estimates was no longer operating efficiently either. On interview some of them have asserted that they were ministers and therefore responsible for the finances of the kingdom and they saw no reason why they should have to kneel down to the British Resident, Buganda in order to spend the finances of which they were responsible.⁵⁹

However, despite all these mistakes, symbolised by loose control of the Buganda Treasury finances at Mengo during the period after Kibuka, as a finance body,

58. Audit Report 1951.

59. O.I., Mukubira, 22.8.1969.

M. Kintu, 13.10.1969

the Uganda Treasury was running on modern lines. Revenue was satisfactorily collected and spent in such a way that it could be traced even if it was lost or spent without prior authority from the Finance Committee or from the Governor through the Resident, Uganda; those responsible could be brought to account if the authorities so wished. The Auditor in 1948 said optimistically:

The Cash Accounts maintained at Headquarters Mengo can now be measured against the comparatively high standards of efficiency of Protectorate government accounting.⁵⁹

This note from the Auditor shows that the Uganda Treasury had grown into a business-like body. Men working in it could make mistakes or over-look regulations but they could no longer be charged with lack of financial know-how as in the period 1900 to 1929.

59. Audit Report, 1948.

REVENUE AND EXPENDITURE 1946-1955

Revenue		Expenditure
YEAR	£	£
1946	247,183	238,986
1947	289,096	290,455
1948	308,514	315,062
1949	449,408	413,332
1950	511,561	496,554
1951	551,007	450,186
1952	638,795	533,185
1953	733,395	600,024
1954	456,288	369,778
1955	1,092,402	1,024,927 ¹

These figures show revenue from all sources and expenditure on all items both recurrent and non-recurrent. Revenue appears to be greater here than expenditure because of the bonuses given to the Buganda Treasury by the Protectorate Government.

1. Source: Estimates of Buganda Kingdom G(EAU)B (0588) Makerere Library Also Buganda Buganda Audit Reports. These start with 1926.

RECURRENT REVENUE

EXPENDITURE ON RECURRENT ITEMS.

YEAR	£	£
1950	339,754	495,554
1951	368,259	450,186
1952	407,308	427,397
1953	495,944	532,814
1954	403,633	514,423
1955	517,649	642,268 ²

Here revenue is clearly seen as falling below expenditure.

2. Source: Estimates of Uganda Kingdom C(RAU)D (0538)
Makerere Library.

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- 4 -

ORAL INTERVIEWS

PEOPLE CLOSELY CONNECTED WITH THE
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- S.Kulubya, Omuwanika 1928-1945.
- J. Mumanje, Provincial Luwalo Inspector, 1920-1928.
- S.K.Njuki, Provincial Luwalo Inspector 1928-30.
- B.Mulyanti, Assistant Omuwanika 1937-1943.
- L. Mpagi, Omuwanika 1950-1955.
- E. Walusimbi, 1945-1950.
- Y.Kyazze, 1945 Jan. to June.
- Adoniya Mukasa, Provincial Luwalo Inspector, 1937-1950
- Kibuka Musoke, Provincial Luwalo Inspector, 1939-1947
- Silvester Semakula, Provincial Luwalo Inspector 1945-1955.
- A.R.Lule, Assistant Omuwanika 1945-1950.
- E.H. Kamanyi, Assistant Omuwanika No.2, 1945-1950.
- A.B. Mukwaya, Assistant Omuwanika No.3, 1948-1951.
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SAZA CHIEFS.

- Joswa S.Zake, Bulemeezi, 1935-1950.
- S.B.K. Musoke-Mawokota 1948-1951.
- Yosefu Musoke, Busujju, 1946-1950.

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E. Nkooyooyo, Bugerere 1946-1949.

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Antoniyo Gitta, Buvuma, 1946-1950.

F. Manyangenda Singo, 1950-55.

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APPENDIX:COMPARATIVE FIGURESREVENUE AND EXPENDITURE 1927-1945

<u>Revenue</u>		<u>Expenditure</u>
	£	£
1927	73,081.10	250,317.73
1928	84,565	84,181
1929	83,717	87,571
1930	81,246.17	84,911.17
1931	86,814	86,829
1932	85,542	84,552
1933	119,330	119,330
1934	121,170	127,163
1935	128,638	130,921
1936	136,436	136,436
1937	143,000	2,873,680
1938	166,229	166,229
1939	173,985	173,749
1940	171,725	177,142
1941	201,442	not available
1942		
1943	201,690	176,718
1944	196,806	197,888
1945	231,558	222,605

Source: Estimates of Buganda Kingdom: G (EAUB. (0588)2 N.B.
Figures from 1900 to 1927 are not yet available though they may be in future when the books and files got from Lubiri and New Bulange by the present Uganda government during the 1966-68 emergency, could be inspected. Even when they will be available one needs to sound the warning that they will not be quite accurate and therefore less reliable for an accurate picture of revenue and expenditure between 1900 and 1927. S.Kulubya told me "before my coming to the Buganda Treasury, figures were written anyhow. People could add a figure to a figure or subtract a figure from a figure to have the desired amount to balance up what they wanted to balance up."¹

Although Kulubya claims that figures started to be reliable from the time he took over the Buganda Treasury, one distressing fact is that when one reads the Buganda Audits by the Protectorate government Auditor and compares his figures with those of the Buganda government Estimates drawn up by the Buganda Treasury, one finds that these figures in several places disagree. Then one may wonder as to who copied the correct figures, the Auditor or the employees in the Buganda Treasury? So all these comparative figures may be only approximate. But they give a correct picture of the deductions in the Thesis.

1. Interview of Kulubya by writer, 5.4.1968.

O.I., S. Kulubya, 5.4.1968.

REVENUE AND EXPENDITURE 1946-1955

Revenue		Expenditure
YEAR	£	£
1946	247,183	238,986
1947	289,096	290,455
1948	308,514	315,062
1949	449,408	413,332
1950	511,561	496,554
1951	551,007	450,186
1952	638,795	533,185
1953	733,395	600,024
1954	456,288	369,778
1955	1,092,402	1,024,927 ¹

These figures show revenue from all sources and expenditure on all items both recurrent and non-recurrent. Revenue appears to be greater here than expenditure because of the bonuses given to the Buganda Treasury by the Protectorate Government.

1. Source: Estimates of Buganda Kingdom G(BAU)B (0538) Makerere Library Also Buganda Buganda Audit Reports. These start with 1926.

RECURRENT REVENUE

EXPENDITURE ON RECURRENT ITEMS.

YEAR	£	£
1950	339,754	495,554
1951	368,259	450,186
1952	407,308	427,397
1953	495,944	532,814
1954	403,633	514,423
1955	517,649	842,268 ²

Here revenue is clearly seen as falling below expenditure.

2. Source: Estimates of Buganda Kingdom G(MAU)B (0588)
Makerere Library.