



A junction at Ssemuto trading centre

A developed transport system is vital for a country's progress

By Owen Wagabaza

Until five years ago, Ssemuto in Nakaseke district was a village just like any other in the country-side. It was sparsely populated, rural, and sleepy, with little or no economic activity going on. However, after the completion of the Matugga-Ssemuto-Kappeka road, the village changed in a blink of an eye.

The once unattractive rural Ssemuto suddenly became an attraction, for investors, traders and other kinds of people all interested in setting up residence in the area. Ssemuto has since become a vibrant town, dotted with factories, shops dealing in almost everything, as well as mushrooming residences.

"As a result of the growing population, the residents' income has also increased tremendously, because of the available market for their agricultural products. Currently, a 50x50ft plot of land goes for over sh10m, yet before, an acre did not even cost that much," says Matovu Ndugwu, a resident of Ssemuto.

An effective and efficient transport system provide, economic benefits that result in multiplier effects such as better accessibility to markets, employment and additional investments. Consequently, citizens who are deprived of transportation infrastructure miss out on several economic opportunities.

"The development role transport plays in an economy makes it a derived demand, as the sector in itself is not productive, but is responsive to the forces of production and consumption. Generally, a model for transportation and economic development can be summarised as providing infrastructure and therefore, improving physical accessibility, enhancing mobility and improving welfare," Adam Balondemu, a development economist, says.

Below, we look at how a developed transport system can impact agriculture, education and industrialisation.



A junction on the Northern Bypass. A well developed road network boosts agricultural growth

Transportation and agriculture

The lack of transport services, or problems associated with those available, are major constraints to agriculture and rural development. According to Balondemu, agrarian communities like Uganda are highly dependent on a reliable transport system for internal transportation and for linking rural communities to the market centres to sell their farm products and buy farm inputs.

When transportation is provided, its importance in transforming the lives of rural residents can be appreciated, because over 50% of Ugandans live in rural communities. The access created can have the impact of increasing productivity because farmers have access to markets.

"The access will thus provide farmers with larger markets to sell their goods and consequently raise more income and increase in real income results in induced expenditure on the part of farmers who may even purchase from other sectors," Balondemu explains.

Research findings have over the years connected the purchasing

A GOOD TRANSPORT SYSTEM ALSO ATTRACTS INVESTORS BECAUSE THEY ARE ASSURED OF A LOWER DISTRIBUTION COST

power of the locals with industrial development. According to the research, a high disposable income generated from agriculture would

in turn stimulate the industries as the farmer would have had higher purchasing power to buy from them.

Also, the provision of access routes also enables farmers to easily get in touch with extension services which would in turn teach farmers modern methods of farming hence maximising profits and reducing losses.

Adaption to these modern methods of farming would again increase productivity and production causing increase in real income which will not only stimulate industries, but also go ahead to encourage savings and thus influence the economy in a positive way.

Transport and industrialisation

Generally, two transportation objectives are usually taken into consideration when firms make their choices of location, that is, low transportation cost and satisfactory transportation service, Peter Ssenkatuka, a lecturer of development studies at Makerere University, says.

Firms that consider transportation cost to be of major significance

are usually located in places where the cost of supplying raw materials are minimised. Availability of an effective and efficient (satisfactory) transport system also facilitates production by increasing accessibility and mobility.

A good transport system also attracts investors because they are assured of lower distribution costs and improved access for both employees and customers.

"Thus, investing in transport yields growth in a number of firms setting up shop and expansion of the already existing ones. Growth of firms implies more jobs. Expansion of existing firms will lead to greater profitability and, or increased market share and as a result, increased employment and income," Ssenkatuka explains.

"Whenever an industry is established somewhere, there is a change in form of income-generation for the locals. They get jobs, will supply raw materials or will set up shops to feed those employed in the industry, yet many a time, a road plays a vital role on where a factory is established," he adds.

Transport and education

Distance is one of the major challenges of education in most developing countries. A study conducted in Morocco in 1994 established a relationship between transport and school attendance. According to the research, in the absence of a paved road, only 21% of girls and 58% of boys attended school. On the other hand where a paved road existed, the school participation rate increased to 48% for girls and 76% for boys.

In Uganda, such statistics may not be available, but there is no doubt that access to education can be made possible by the provision of transport infrastructure.

"For any investor to set up a good school that offers high quality education, the transport system is one of the essentials that are given a keen eye. And this is the reason why good schools are only found in urban centres, denying those in rural areas the opportunity to take their children to nearby quality schools," Balondemu explains.