

16 Enhancing Well-Being at the Household Level

The Impact of Informal Economy Activity on Poverty Reduction in the Traditional Ankole Kingdom of S.W. Uganda

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The purpose of this chapter is to explore the extent to which four important informal economy “craft” activities (pottery, carving, basketry and iron work), which constitute what we call “material culture” have the potential to enhance well-being at the household level in 10 districts of the traditional Ankole Kingdom of S.W. Uganda. In doing so, we seek to determine how far these informal activities might play a significant role in poverty reduction and what transferable lessons might be learnt. Research shows that in Uganda, most of the poor people live in the informal economy and work in small, informal businesses and that there are correlations between poverty and informality (Keene-Mugerwa 2006). Ocici (2006) further posits that the informal business dominates the private sector in Uganda. Many of the businesses (approximately 97%) are not registered and 80% of the citizenry are employed in the sector. More than 80% of the population lives in rural areas (UBOS 2010) and integrate traditional skills and knowledge for their livelihood.

Our general and underlying purpose is to explore these links, or correlations, because of our concern for the *well-being, interests* and *agency* of local people and their participation in informal economy activities that promotes the benefits of material culture.

THE TRADITIONAL ANKOLE KINGDOM

The traditional Ankole kingdom is a region in mid-South-Western Uganda. It has both equatorial vegetation and savannah grasslands. Its land area is about 16,182 square kilometers and it has a population of approximately 1.9 million (Uganda Bureau of Standards 2009). The region is comprised of districts carved out of the traditional Ankole kingdom created by the British colonial government after the 1902 agreement bringing together the different kingdoms and chieftainships for easier administration. The region is occupied by the Banyankole who practice cattle keeping (*abahima*),