

# THE SOCIAL AND THE ECONOMIC IN BUSINESS PRACTICE IN UGANDA – EMPLOYMENT OF RELATIVES

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## INTRODUCTION

*“I for one don't have a single relative in my business because business is about command. Do this! Sometimes a relative may not take what you are trying to tell him. I don't like to do any business of mine with my relatives. I would like to do my business in a professional way.”(Int 43<sup>1</sup>)*

*“Most Africans want to leave involving the family. I am the opposite. I can't give a job to a stranger if my relative can do the job I expect to do. What makes most Africans stop dealing with relatives, they take things for granted, but for me once I get onto that farm I am not aunt, I am not mummy, I am MD. When we are outside you then become my son, my niece and my nephew” (Int 41)*

*“In most of my companies it's my cousins who are working and handling them. I mean they are not working in terms of real business work, where you pay, but they work as part of family, when we get some money we share and when there is no money, no problem, you work” (Int 34)*

In the ongoing research on how social aspects come into play in business in Uganda<sup>2</sup> the issue of employment of relatives has surfaced time after time. On the one hand, employment of relatives is part of a larger pattern of social responsibilities within extended family which most people respond to, but on the other hand many business owners find it problematic to combine the family based relationship with an employer-employee relationship. The three quotes above from interviews with Ugandan business owners exemplify three different approaches to this dilemma. The first business owner has chosen not to employ relatives at all, the second one has made a clear distinction between the family and the business relationship, while the third one bases his way of conducting his business on the family relations.

This paper aims at exploring various approaches to employment of relatives in business in Uganda, both from the business owners' and the employed relative's perspective. The paper forms part of a larger ongoing research on how social embeddedness of business owners in Uganda is manifested.

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<sup>1</sup> The interviews with business owners are numbered 1-54. Int 43 refers to interview 43 with a business owner.

<sup>2</sup> This paper is part of a broader ongoing research on social embeddedness of business owners in Uganda, which will result in a PhD thesis next year.

The view of the business actor applied in this research is based on the sociological perspective that all economic actors in all contexts are socially embedded, i.e. their behaviour in the economic sphere is influenced by social norms and social relations (Granovetter, 1985; Smelser and Swedberg, 1994). Since social norms and structures differs between contexts, the behaviour of economic actors, including business owners, is necessarily context-dependent to some extent. In each particular context, there will be aspects of social relations and norms which are conducive to running a viable business, and other aspects which can be difficult to combine with the demands of a business enterprise. Each business owner has to find the balance between the social and economic factors which allows him/her to maintain both the business and his/her social standing. Granovetter (2000) describes this as finding the balance between ‘coupling’ and ‘decoupling’ in relation to various social networks. Much of the research on these issues in relation to African business owners is cast in a tradition-modernity dichotomy, where concern for social relations and norms is seen as traditional and pure economic considerations are seen as modern (Hydén, 1983; Marris and Somerset, 1971; Spring and McDade, 1998). Research within business studies, however, shows that social goals in business are common in all parts of the world, including so-called developed countries, and in particular among business owners who are managing their own business, i.e. enterprises run by owner-managers as opposed to enterprises where ownership and management is separated (Spence and Rutherford, 2001). Family businesses exist all over the world, and the research on social capital has shown the importance of social relations for economic activities (Fafchamps and Minten, 2002)

The basic perspective applied in the research at hand is that business owners are socially embedded and has to find a balance between social and economic goals. It is not perceived as a question of ‘development’, but as a general feature of business everywhere in the world, in particular with regard to business enterprises run by owner-managers. The question which is explored in this research is how individual business owners in a particular context identify and view the social aspects which come into play in their business activity and how they find (or do not find) the balance between social and economic aspects.

In this paper the practice of employing relatives will be in focus. This theme is just one of many aspects of social embeddedness of business owners in Uganda. Other themes which has surfaced in the ongoing study include redistribution of resources within extended family (such as payment of school fees, etc), what type of help the business owner him/herself has received from extended family, what types of relation are seen as beneficial for development of the business enterprise, possible contributions to communities, to what extent ethnic and religious identities are relevant in business relations, gender differences with regard to all aspects above, and how the issue of trust/mistrust is manifested and handled. All these aspects will be thoroughly analysed in a PhD thesis to be published next year (Nystrand, forthcoming).

The analysis is based on extensive field research in Uganda, including interviews with business owners and a household survey. Interviews were made with 54 business owners and the household survey covered 384 households. Furthermore, interviews were made with approximately 40 key informants, such as Ugandan academics and representatives of business organisations. Most of the field work was conducted in 2008 and 2009, but a pilot study was

done already in 2005. The material covers all four regions in Uganda, i.e. the urban centres of Kampala (Central region), Mbarara (Western region), Mbale (Eastern region) and Gulu (Northern region) as well as surrounding rural areas.

This paper will start with describing the phenomenon of employment of relatives in business in Uganda, i.e. how common it is and what relations and types of work are involved. The major part of the paper will be devoted to exploring attitudes to relatives as employees and employers and ways in which business owners attempt to find a balance between social and economic goals in this particular area.

## DESCRIPTION

Both to be employed by a relative and to employ relatives are fairly common phenomenon in Uganda.

### *PREVALENCE OF EMPLOYMENT OF RELATIVES, FROM THE BUSINESS OWNERS' PERSPECTIVE*

Among the interviewed business owners the vast majority, approximately 90% have employed relatives in their business at some stage in their business career.<sup>3</sup> The general picture of employment of relatives as a common practice in business in Uganda is strengthened by interviews with business representatives and academics. It is a phenomenon which is often discussed in various business forums, such as in business organisations and in training of business owners.

In business literature on the region, employment of relatives is an often mentioned phenomenon (see for example Trulsson, 1997; Marris & Somerset, 1971; Spring & McDade, 1998). Marris and Somerset (1971) in their study on Kenya writes that most business owners find it problematic with employed relatives but almost all have had relatives as employees.

### *PREVALENCE OF BEING EMPLOYED BY A RELATIVE, FROM THE EMPLOYEES' PERSPECTIVE*

According to the household survey conducted 35,5% of respondents have been employed by a relative. The household survey is based on a random sample of households in the four regions of the country and includes both urban and rural locations; hence the result is likely to be representational for the country at large.

Relatives can be defined in many ways, and in Uganda, as in other parts of the world, the definition and delimitation of family is changing. The concept of extended family is, however, still alive, and basically means that close kins are normally defined as larger than the nuclear family (spouse and children) and includes brothers and sisters, in-laws, nieces and nephews, uncles and aunts, first and second cousins and sometimes even more distant relatives.

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<sup>3</sup> The selection of interviewed business owners is not based on random sampling, but a combination of targeted and snowball sampling, hence cannot be said to be representative of the whole business community in Uganda. The focus has been on business owners of more established businesses, with at least some employees, and on businesses which are into some type of production, i.e. manufacturing or processing.

In the survey, uncle/aunt (34%) and brother/sister (33%) were the most common relatives to be employed by, followed by other members of extended family (cousin, grandparent, in-law) and parent<sup>4</sup>.

The two most common types of work were farm work (34%) and work in a relative's business (34%), followed by household work (24%). Of those who had worked in a relative's business half performed unskilled work and half skilled work.

A major regional difference was noted with regard to Gulu (Northern Uganda), where the prevalence of working for a relative was much higher than in other parts of the country (60% of total respondents compared to 20-40% in other regions). The majority of these were engaged in farm work, while only a few had been employed in a relative's business. A likely explanation is that the possibilities for employment have been very slim in general in the Northern part of the country during the long war that has devastated the region until just a few years ago and that farm work for a relative was one of the few options available.

There is no significant gender difference, neither among those who work for relatives nor among those who employ relatives.

The majority of the respondents who had worked for a relative were not paid (53%), although they might have received other benefits such as housing, payment of school fees, etc. However, out of those who worked in a relative's business a higher proportion was paid (75%), both with regard to skilled and unskilled workers.

#### ATTITUDES AMONG BUSINESS OWNERS<sup>5</sup>

From the business owners' perspective, employment of relatives is often seen as problematic, and even those who do not find it difficult themselves are very aware that others might see it as a challenge. Several questions arise: a) what are the reasons for employing relatives? b) how and why is it difficult to be an employer to a relative? c) how do business owners handle relatives as employees, what strategies are used? These questions will be dealt with below. The section will then end with a description of the one interviewed business owner, whose way of perceiving involvement of family in business constitutes the big exception to the general perception of relatives as a problem in business: the ideal happy marriage between family and business responsibilities.

#### *WHAT ARE THE REASONS FOR EMPLOYING RELATIVES?*

From the business owners' perspective employment of relatives is part of a larger pattern of assistance within extended family. Business owners are normally seen to be resource rich (although it depends on their economic standing in relation to their relatives) and are expected

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<sup>4</sup> Percentage refers to the proportion of those 35,5% of respondents who had worked for a relative, if nothing else is stated.

<sup>5</sup> This section is based primarily on 13 interviews with owners of large and middle sized businesses within manufacturing and processing. These interviews were singled out for this analysis partly based on size of business (above 15 employees), and partly because they were particularly rich in content with regard to the theme of relatives as employees.

to share their resources with the extended family, in various ways (see Nystrand, forthcoming). The majority of the business owners interviewed employed relatives primarily in order to help the relatives and because it was expected of them, and did not see it as benefitting themselves or the business.

*'The relatives are there, you know, when they come and seek for work you cannot deny unless they don't have the potential.'* (int 42)

Some business owners did this reluctantly; they felt obliged to employ relatives, but perceived it as problematic. A few refused outright to employ relatives, because of the perceived problems (for example the business owner cited in the beginning). A few interviewees said that they did not mind employing relatives, because they saw employment as a better way of helping relatives than direct contributions to school fees and other needs. Hence they accepted the general obligation of helping relatives and perceived employment as the best means of doing so. One business owner explicitly stated that he did not believe in directly helping relatives with cash contributions and payment of school fees, etc, as he thought that would deprive them of their own responsibilities, and therefore preferred to help them by employing them.

This perception among business owners that employment of relatives is an obligation that they adhered to, rather than something that benefited themselves or their business, is important for understanding their ambivalent attitude and disappointment when the employed relative did not 'give back' in terms of good performance.

*"You bring in a relative, he does not know that you are just helping them, he comes knowing that these are our things"* (In 21)

The other side of the story is the common perception (expressed by some of the key informants interviewed) that business owners exploit relatives as cheap labour, by paying them little or nothing and expecting them to work under worse conditions than other employees because of the family obligations. Most of the interviewed business owners claimed to employ their relatives on the same conditions as other employees, with regard to payment, expectations of output, etc. A few interviewees agreed that the employed relative worked on other terms than other employees, and were expected to accept more responsibility and less payment, because of the family relationship. One business owner gave the example of his cousin who was employed in his first business, who was not given good conditions and who consequently did not do a good job. In his later business enterprises he gave the relatives the same conditions as others. The great exception in this whole research is the business owner whose way of running business was based on family obligations, which seemed to work fine (see below for a more detailed description of this exception).

The survey results referred to in the previous section indicate that there is some truth to both sides of the story; the majority of relatives employed in business were paid, but some of them were paid less than other workers.

*HOW AND WHY IS IT DIFFICULT TO BE AN EMPLOYER OF A RELATIVE?*

In interviews with business owners the most common comment on relatives as employees was: ‘they take things for granted, and do not want to work’. When probing into this comment a number of explanations and examples were given, all of them related to the problem of mixing a family-based with an employment-based relationship.

Many business owners complained that the employed relatives did not understand their role as employees. Several comments indicated that relatives perceived that they had some type of claim on the business, because of the family relationship.

*“They think they are part owner because of the relationship and this creates problem.” (Int 6)*

*“Relatives are not very good people, they always want to bring problems, they want free things, they think they own everything, when you bring them here they think they own everything and they will not work.” (Int 27)*

The perception that relatives did not work properly was common. Related to that was the perception that they do not accept correction and do not accept the hierarchy inherent in the employer-employee relationship. The business owner cited in the beginning of the paper (int 43) expressed this clearly, when he said that business is about command, and that relatives may not accept that. The problem of being a manager for a relative compared to other employees is illustrated by the example below, of a business owner and his nephew, who was employed on the same conditions as other employees.

*“The problem, the others are manageable, for him he is not manageable. He is a young person whom you can tell and he ignores you and yet he is a son of my brother. I tell him this, I command him I want this, but sometimes when I command him he ignores me...He feels he owns this place as long as he says this is uncle’s property, so he feels less moved, but the other ones are still very careful because they know one day one time I can say get away, but for him I can’t say get away...” (Int 27)*

Several respondents gave examples of difficulties in firing an employed relative who did not function well as an employee, because of opposition from other relatives. One owner of a large business had a major scandal in the firm, where a large number of employees, including employed relatives, had gone behind his back for years and squandered money from the business for private consumption. When he fired the employed relatives who had cheated him, the whole extended family went against him, complaining that he mistreated his relatives. A business woman who had been tough on her employed relatives when they misbehaved (see below) was also met with condemnation from the rest of the extended family.

The difference in response to management between employed relatives and other employees often causes problems. One example of this was given by one of the interviewed business owners who had previously been a manager in a large firm which he did not own and in

which the owner's relatives were employed. In his experience it was difficult for him as the manager to control and give instructions to the owner's relatives; it was hard to put pressure on them. This caused negative reactions among other employees and lowered their morale and productivity. He also found it problematic that the owner's wife was involved in the business, because she came in with authority, based on her status as the wife of the owner. *"But authority without knowledge is very detrimental to the company."* (int 6). In his own business he had decided not to employ relatives at all, based on this experience.

When asked why they thought that employed relatives did not perform or behave as other employees, the answer from the interviewees was often that 'they are lazy'. While that might certainly be true in some cases, it is difficult to believe that the majority of employed relatives are inherently lazy. One interviewee put it into a context of changing culture, of lost values, lost respect: *"Our children are no longer working, are no longer respecting us, they are no longer respecting values."* (Int 27). Another interviewee suggested that the reason might be envy: *"maybe in Africa these relatives don't want others to grow"*<sup>6</sup> (Int 21), and a third thought that it came down to lack of knowledge of business. *"They don't understand what it entails to do business, they don't understand the repercussions that is likely to be, they might not be aware that anything that goes wrong because of their negligence and so forth, the result will be bad to them, so I call it lack of knowledge about business"* (int 17).

While all of these reasons might certainly be part of the explanation, there also seems to be an inherent difficulty in changing between a family relationship based on certain types of rights and obligations to an employee-employer relationship which is based on other types of rights and obligations. Some of the interviewed business owners had actively tried to separate these roles and relationships in order to maintain both.

#### *HOW DO BUSINESS OWNERS HANDLE RELATIVES AS EMPLOYEES; WHAT STRATEGIES ARE USED?*

One obvious way of handling the challenges posed by employed relatives is to refrain from employing them. A few of the interviewees had chosen this option, but the majority had not. All the business owners interviewed had deemed it necessary to develop some type of strategy for how to handle employed relatives and were very aware of the potential challenges inherent in the relationship.

A common strategy was to communicate clearly to the employed relative that the roles in the business are different from the roles in the family.

*"Don't get your relationship business into my business... I just employ you like another person from outside my family"* (Int 21)

*"Once I get onto that farm I am not aunt I am not mummy I am MD when we are outside you then become my son, my niece and my nephew"* (Int 41)

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<sup>6</sup> While this suggestion might absolutely hold some truth, envy is certainly not particular to Africa. In Scandinavia it is perceived as a cultural trait and has been formulated by the novelist Aksel Sandemose as the Law of Jante, which basically says: Do not think you are better than us.

*“I say the job is different from me the person so do what you are expected to do, if you don’t do it you go. That one, they are aware.”(Int 17)*

*“When we are recruiting you, we tell you point blank that whenever you are working here you work strictly according to the rules and regulations. We are just assisting you because you are a relative and you don't have work just like any other person, so you have to strictly accept your pay and other fringe benefits not beyond. [Interviewer: -And you tell them that explicitly when they start?] -Yeah when they start so they don't get big headed... we also give them appointment letters with all information of the job that person should be doing which we strictly abide by. (Int 42)*

One of the interviewed business owners gave three examples of incidents when she had emphasised the difference between business and family relationship, contrary to expectations from the family:

1. Some of her relatives who were employees had missed a lot of work in connection to a death in the family and she told them not to go for a planned family meeting and go back to work instead. The rest of the family was upset, but she said *“I am running a company, not a clan holding”*
2. A nephew who was employed was about to be promoted to supervisor. He was overheard and reported to have abused and insulted a supervisor *‘because he is bosses’ nephew’*. He was not promoted, and was told this in front of all the employees and got a suspension of 10 days. He continued to work there.
3. An employed brother in law was away for 10 days in connection to a death in the family, while the business owner herself and her husband were only away for 1-2 days for the same occasion. When he came back he said that he was going away for a family meeting later, but she told him he had already been away for 10 days, and that she would deduct from his pay. She deducted 18 days that month and told him he would be paid 12 days because he had worked 12 days. Her husband said that the family will not understand. She said *“darling, I am not running a family unit but a business”*.

Her comment to these examples was *“That’s how I have successfully employed the relatives, I have the nerve.”*

Some business owners seemed to feel they have to be extra harsh on relatives compared to other employees, in order to set example.

*“[Interviewer: So you don't treat the relatives differently from other people?] - No instead we treat them more harshly compared to somebody who is not a relative.” (Int 42)*

Another way of handling the employed relative was to involve other employees. One business owner said that they had the practice in the firm to have a meeting with all employees whenever there was a problem and this was applied when there was a problem with a relative as well. In these meetings the problem was aired out *“so that other people can try to put out their views that this one did this, but it should be done like this”* (int 14). Another interviewee put the manager of the production unit between himself and his relatives. *“I told them I am not here, I am not a manager here, so if you don’t obey what the manager tells you, really don’t come to me and say he has sacked you”*(Int 17).

Yet another strategy was to restrict employment of relatives to certain categories of work or categories of relatives. The business owner who was seriously cheated by his employed relatives had after that incident chosen to restrict employment of relatives to lower cadres of the workforce. Another interviewee said he only employs in-laws, i.e. his wife’s relatives, because they respected him more than his own relatives did.

#### *THE ‘IDEAL’ COMBINATION OF BUSINESS AND FAMILY*

One interviewed business owner stands out as an exception with regard to the view of relatives as employees. In his case the strength and loyalty of family relations was brought into the business in a way that strengthened both structures.

*“In most of my companies it’s my cousins who are working and handling them. I mean they are not working in terms of real business work, where you pay, but they work as part of family, when we get some money we share and when there is no money, no problem, you work”* (Int 34)

This business owner had somehow managed to involve relatives who shared his own sense of responsibility for the business and who trusted that the success of the business would accrue to the family as a whole. These relatives were therefore willing to go the extra mile, in terms of working extra hours, accepting irregular payment, doing work outside their job description, etc, much like the business owner himself. In this family the business had been integrated into the social rights and obligations of the family. Work in the business, payment of school fees, work on the family farm, contributions to health care bills were all part of the same reciprocity system which formed the social safety net for all of them. His way of expressing this attitude was that they all shared the same conviction.

*“He [the relative] doesn’t benefit as direct as like for example because he has gone for over time, you pay. No. But he has that benefit, that conviction that this is mine, I am not here just on business terms but am here as owner and as somebody who wants this to stand... that conviction that this is the future of our family, and the main benefit where the relatives get that conviction is when you have a problem, you see? When you have a problem then we help you, we help each other. Not just your salary, when the child gets stuck, has no fees to go to school, at times I pay, that’s the benefit of being a relative. That’s when you say that this is our thing, because this money is not from nowhere else but it’s from there. If you fall sick, you have failed to get enough money for treatment, you are having some accident and what, shall another*

*come to you, No! But me as your relative can come, what's the problem, at times I pay for medical bill, that's a family. So it's like social safety net you look at it both economically and socially. It's like sort of insurance in case of any problem any eventualities this can be the way one can rescue you so you make sure you safeguard in case of any problem this is what can help us to come out of it, so that is the conviction."*

His description of how his family and business were interlinked is like an ideal picture of how the extended family works together for the common good. However, not all relatives were involved. He had only involved those relatives who shared his 'conviction'.

*"It depends on the selection of relatives, which kind of relative? Because relatives also, you have a lot of cousins, there those who are rogue they can just put you down. So you know who to be with and you know whom not to be with. They are not all the same, there those who will screw everything and collapse kabisa....if you make a thorough analysis of your relatives, you get somebody who has the same conviction as you, who feels like you that this is the livelihood of our family, that this is our thing, that this is our treasure, we have to safe guard it, we have to succeed."*

Furthermore, he had not hesitated in firing relatives who did not work as expected. He gave a recent example where two of his cousins were fired, even though their father worked as a manager in the company. He claimed that there was no problem with that. *"Once you have the conviction that we are here to build this, and whoever is not with us, whether is my son or my sister we let him go do other things."*

His way of operating was apparently successful in business terms. He already had three different lines of business and was just starting up a fourth line of business which required quite a lot of investment. He was running all these businesses at the same time as he himself had a high-ranking job in the capital.

Since this business owner's story differed so much from other interviewees, he was asked to comment on why he thought it worked so well in his case, when almost everyone else seemed to have so much trouble with employed relatives. This business owner and his family were from Karamoja, one of the poorest and least developed parts of Uganda. Could this be part of the explanation? Was it something in his way of handling things, or how the relatives handled it? He said that it was probably a mix of different factors. His perception was that social ties were certainly stronger in Karamoja than in other parts of the country. On the other hand, individual families are different from each other, as everywhere. *"There are certain families where you know this family is terrible, but there is a certain family where you see it is calm people, they are little more close, they like each other"*. His family belongs to the second category. *"I think our family is like one of those few who are more cohesive, more social and that is our basis of even working together, our parents are the same very social, they like each other, they are united so even the children then follow. "* In his view this social cohesion in the family was the most important explanation.

#### ATTITUDES AMONG EMPLOYED RELATIVES

While the attitude to employed relatives among business owners is generally negative, with some exceptions, the opposite holds for employed relatives. 85% of the survey respondents that had worked for a relative enjoyed working for this person and 62% thought that they learned something from working for this person<sup>7</sup>. Those who worked in a relative's business were slightly less positive in general compared to other forms of work (78% compared to 85%), but they thought that they had learned to a larger extent than those in other types of work (85% compared to 62% on average).

The respondents were also asked if they had felt abused in the work they did for the relative, and 15% agreed with this statement. Out of those who had worked in a relative's business, a slightly higher proportion felt abused than in other types of work, but the difference is not significant.

When looking at how the attitudes differ between those who were paid and not, it is clear that those who were paid, but less than other workers, felt abused to a larger degree than those who were not paid at all. Among those who were not paid at all 88% still enjoyed the work, i.e. a larger proportion than average.

The respondents were also asked if they agreed with the statement that they helped their relative by working for him/her and conversely if they thought that the relative had helped them by allowing them to work for him/her. 51% thought that the employment had been of mutual assistance, i.e. that they had helped their relative and they had also been helped. 37% thought that the employer had benefited more, i.e. they had helped by working there, they had not been helped themselves, and 4% thought that they gained themselves, i.e. that they had not helped their relative by working for him/her but that this work had been a help to themselves. The vast majority, 92%, thought that they had helped their relative by working for this person, and the majority, 57%, also thought that the relative had helped them. Those who had worked in a relative's business thought that the relative had helped them to a larger extent than those with other types of work.

The general conclusion is that for the vast majority the work for a relative was a positive experience, which they learn from and which they perceived to be of mutual benefit. These attitudes contrast sharply with the view of the employing business owners.

## CONCLUSION

This paper has shown that employment of a business owner's relatives in his/her business enterprise is a common phenomenon in Uganda. All interviewed business owners relate to this phenomenon in one way or the other. It is a practice in which the social and the economic aspects of a business owner's role come together more clearly than perhaps in any other aspect of their business practice. For Ugandan business owners, the way relatives are handled as employees is a crucial choice, which affects their ability to find a proper balance between running a viable business and remaining socially accepted, the balance between 'coupling' and 'decoupling' in Granovetter's (2000) terms.

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<sup>7</sup> Percentages refer to the proportion of those respondents who have worked for a relative, i.e. 35,5% of the total population.

The paper has also shown that the attitudes to this working relationship differ sharply between the employers (the business owners) and the employed relatives. The business owners generally perceived it as a problematic relationship for which they had to find strategies, in order to handle it. The employed relatives, on the other hand, generally enjoyed this work, thought they learn from it and perceived the relationship to be of mutual benefit. This difference in attitude underscores the challenge these relations poses to the business owners. They struggle with finding strategies, while the employed relatives do not even see the problem! Even though this research is based on extensive research in Uganda, the material does not hold any clear explanation as to why the attitudes differ to such a large extent. Could it be a problem of communication? Is it perhaps inherent in an unequal relationship, where one party sees him/herself as the 'giver' and the other as 'receiver', that the 'receiver' is not willing to accept that the relation is unequal, but stresses his/her own contribution? Deep case studies of selected business and family networks might shed further light on these issues.

Employment of relatives is just one of many practices relating to social norms of rights and obligations within extended families in Uganda which are relevant for business owners. Relating these practices to other forms of assistance within each family networks might also add to the understanding of the phenomenon. The one example in this paper where family and business obligations merged in a positive way indicate that there might be a relation between what you can expect from a relative and what you give to the family system in other areas. This issue will be further explored when the other aspects of social embeddedness of business owners in Uganda in this ongoing study have been thoroughly analysed.

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