

# CORRUPTION IN UGANDA

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What is corruption? A public official is corrupt if he accepts money or money's worth for doing something that is his duty anyway, that is not his duty, or to exercise a legitimate discretion for improper reasons.<sup>1</sup> We must distinguish between public and private corruption. Public corruption entails using the state machinery for personal gains. The legally established norms are thus violated. Private corruption occurs when, for example, "X" has an 'affair' with his brother's wife. His actions may not immediately affect the state and he need not use state machinery in order to indulge in sexual corruption. However, if he is discovered and is either beaten or taken to court, what was a personal sexual adventure now turns into a public scandal and the established laws of the state are used to punish him. If "X" is not punished, people may take the law into their own hands and the sobriety of the state may be impaired.

## **The Relativity of the Concept of Corruption**

The very example we have just used may be interpreted differently by different cultures. For example, it is understood that among the Banyankole, people of Western Uganda, it was traditionally accepted for a man to interact 'deeply' with the wife of his brother. If the norms of the ethnic group sanction this practice, a court in Uganda which may consist of English judges using English norms, may be at a loss if the matter were brought to court. In other words, sometimes there is a conflict between norms and values of different ethnic and racial groups. What is corrupt in one society or ethnic group may be the acceptable correct norm in another society.

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<sup>1</sup> M. McMullan, "A Theory of Corruption" in W. J. Hanna (ed.), *Independent Black Africa* (Chicago: Rand McNally, Company, 1963), p. 498.

For example, when the British attempted to "teach" King Mwanga of Buganda to make a distinction between his private money and the treasury of the Kingdom, he felt insulted. He asserted that he owned the Kingdom and the people. Traditionally he could not be taken to Court for 'embezzling public funds' because there was no distinction between his funds and the public funds. By the same token, when one daring Muganda took to court Kabaka Mutesa for having 'seduced' his wife, the accuser faced several cultural odds and lost the case in the traditional court of Mengo. The ultimate traditional Kiganda reasoning was 'namunswa alya kunswaze' literally meaning the Queen Aunt feeds on her subjects. But since the Queen is not a cannibal, the statement means that the Queen has absolute power over her subjects. She can take their husbands as much as the King can take the wives of his subjects.

This traditional concept has, of course, undergone significant changes. In Africa, we face a conflict between indigenous cultural values and the legal norms imported from the colonial powers of Western Europe. Other examples must be cited. When a person is elevated to the post of President, his clan members are culturally expected to have 'fallen into things' because they expect the President to promote his clan, and in some cases his ethnic group, along the scale of his success. And yet according to the existing modern legal norms this practice is nepotism, an important dimension of 'corruption' in Africa.

The desire for instant justice in many parts of Africa is yet another problem which impairs the legitimacy of the modern courts. They use prolonged and intricate technicalities when trying a man who has been caught in the market place indulging in what society regards as improper and corrupt practices. In the traditional method, the man who is pronounced guilty by the crowd is punished on the spot. However, the crowd may be biased and emotional. Equally, a thief may be acquitted on technical grounds only to be ostracized by his society.

Despite what we have described, it is essential to remember that a modern state which embraces plural societies in Africa has a duty to establish widely accepted national norms and mores. Corruption or morality will then be judged against the accepted norms and mores and our societies will in many cases 'police' themselves. In the absence of this approach, our definition of corruption will be based upon imported legal norms.

### **Forms of Corruption**

The most outrageous form of corruption took place at the state

level where people swindled millions of dollars from the government. This corruption evoked wide-spread condemnation, but the corrupt people were protected by the state machinery and by the complicated bureaucratic procedures. The state was treated as a personal property by 'life' Presidents and their henchmen and they looted it without mercy. In essence, privatization of the state had been effected. Ali Mazrui has ably defined this phenomenon:

The resources of the nation were, to all intents and purposes, deemed to be the private hunting ground of those in power and of those who supported them. Lucrative contracts for trade of construction were handed out on the basis of private consideration. Foreign exchange was privately distributed. Millions of dollars disappeared into private holdings and accounts abroad.<sup>1</sup>

Three forms of the privatized state have been rampant in Africa: anarchic, ethnic, and dynastic. Uganda under Idi Amin displayed the ethno-anarchic privatization. The general moral order had collapsed and the political and economic systems were in disarray.<sup>2</sup> In other words, the country witnessed chaos and anarchy. The Kakwa and Nubian peoples enjoyed a disproportionate share of the state and opportunities in the economy. To this extent, privatization was monopolized by these ethnic groups. In addition, privatization was combined with militarization. It should be mentioned, however, that under Amin the countryside was secure. Consequently, the elites who were deprived by the privatization of the state focused their attention on the countryside where they owned ranches, dairy farms, and agricultural farms of *matooke* (plantain), beans, maize, coffee and cotton. The breakdown of the economy forced them to smuggle food and cash crops across the border. Smuggling is another major form of corruption which shall be treated separately. Under the second Obote administration (December 1980 to July 1985), the countryside, especially the Luwero Triangle of Buganda was devastated by army violations of human and property rights. Iron sheets and other useful property were sold across the country's borders and in Kampala itself.

The dynastic trend of privatization of the state is neo-

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<sup>1</sup> A. Mazrui, "The Privatization of the Post-Colonial State: Black Africa between Shaka and Shylock", a paper given to the *Third Mawazo workshop* at Makerere University, October 12-14, 1984, p. I.

<sup>2</sup> *Ibid.*, p. 2.

monarchical. It crystallizes into a kind of royal family with special royal prerogatives. Mazrui points out that in addition to the privatization of the state's economic resources and the personalization of the state's power, there is also a personification of the state's sacred symbols.<sup>1</sup> The ruler's immediate political supporters evolve into a kind of aristocracy, complete with social ostentation and conspicuous consumption.

Similar to the foregoing, was the privatization of local governments. For instance, when the Busoga district of eastern Uganda attempted to monarchize the *Kyabazingaship*, there was a dynastic trend of privatization in the district. Busoga was emulating Buganda's dynastic model. Monarchization took the form of personalization of authority and the *Kyabazingaship* in such a way that the institution was hereditary and succession was confined to Nadiop's sons and affines. Ostentatious behavior manifested itself in extravagant expenditure and quest for pomp and ceremony by the *Kyabazinga*. In November 1964, the Central Government issued a 60,000 shilling short-term loan to Busoga so that it could pay salaries to its employees.<sup>2</sup> While the leaders at the national level privatized the state and looted it with impunity, the leaders at the local level followed suit and looted without mercy *inter alia* because looting and privatization of public institutions were the order of the day. There was excessive expenditure in all local governments, a fact *inter alia* directly related to corruption.<sup>3</sup>

Another form of corruption at the state level was the privatization of the instruments of coercion. These were largely the army, police and para-military institutions such as the State Research Bureau, an armed spying body. Since the colonial days, the army was dominated by the people from the northern part of Uganda. When the politicians realized that they could not stay in power through fair elections, they privatized the instruments of coercion. After doing so, they rigged elections with impunity and suppressed the population. However, the privatization of the instruments of coercion was challenged when the National Resistance Army (NRA) and other groups waged a guerrilla warfare

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<sup>1</sup> Ibid., p. 5.

<sup>2</sup> For details consult A.R. Nsibambi, "The Monarchization of the *Kyabazingaship* and the Passing of Traditional Rulers in Uganda", *Nigerian Behavioral Sciences Journal*, Vol. 2, Nos 1 & 2, 1979.

<sup>3</sup> Apolo Nsibambi, "The Weak Central Government Crushes Local Governments", *The Star*, Kampala, March 14, 1986.

which unseated the Obote and Okello regimes. The NRA enjoyed widespread support in the countryside. The irresponsible armies of Obote and Okello imitated their masters by also committing acts of corruption. These took the form of looting the civilians daily and selling the stolen property in the Owino Market. Guns, army uniforms and looted beer and sugar were sold to civilians. In addition, the privatized army escorted smugglers of coffee and food across the border.

The parastatal bodies were given more autonomy than the civil service in order to enable them to grapple with problems which the civil service was unable to solve. Unfortunately, they were also privatized. The Ministers in charge of the parastatals appointed people who would not question their malpractices and then turned the parastatals into their private property. For example, a general manager of Uganda Airlines who missed a flight recalled the plane thirty minutes after it has set off for Dubai to pick him up.<sup>1</sup> Consequently, when the NRM acquired power, he was sacked. Since then the newspapers have exposed many malpractices in these parastatals. For example, one official on the Lint Marketing Board authorized the payment of crop finance worth one billion shillings to the East Acholi Cooperative Union. But up to July 1986 the LMB had not received any cotton from Acholi to account for the money authorized.<sup>2</sup>

The autonomy of the parastatals has also been misused to smuggle Uganda's coffee and food across the country's borders. For example, in June 1978, the Minister of Finance estimated the financial consequences of smuggling Uganda's coffee:

It is presumed that last year [1977] an estimated 10,000 tons of Arabic coffee was smuggled out of Uganda to the neighboring countries. In value terms, this amounted to a loss of 340 million shillings in foreign exchange.<sup>3</sup>

Even peasants have been involved in smuggling coffee to the neighboring countries searching for better terms of trade and circumventing the Uganda shilling, ailing since the 1970s. For example, the price paid for a kilo of coffee in Zaire is shs.5000/= while

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<sup>1</sup> It is estimated that this general manager cost Uganda Airlines about 8 million shillings worth of fuel. Other costs included food and expensive arrangements which had been made to fly to Dubai.

<sup>2</sup> *The Star*, Kampala, March 21, 1986.

<sup>3</sup> Budget speech delivered at the Uganda International Conference Centre, Kampala, on 24th June, 1978.

in Rwanda, it ranges from shs.5000/= to 8000/=. In Kenya, a kilo of coffee will fetch an equivalent of Uganda shs.2000/= or even more.<sup>1</sup> In Uganda itself, a kilo of coffee is about 800/=. Some tricks for smuggling coffee include carrying excess bags to the Kenya port of Mombasa so that the difference between the correct weight and the excess bags is shared by the conniving parties.<sup>2</sup> Fictitious deliveries are another racket at the Coffee Marketing Board. The conniving parties include gatekeepers, security men, and staff at the weigh bridges.<sup>3</sup> Supplying fictitious deliveries is commonly known as "supplying air".

Another form of corruption - chaining of purchases, has been commonly used to circumvent Tender Board procedures. For example, under the Tender Board Regulations of 1967, departments were prohibited to buy goods in excess of four thousand shillings before getting the approval of the Central Tender Board. Departments by-passed this regulation by using several and different local purchase orders just below four thousand shillings. In this way they avoided seeking the approval of the Central Tender Board.<sup>4</sup> Ironically, whenever there were major items involving millions of shillings, the conniving Minister did not hesitate to hide these items from the Tender Board.

In the same vein, several officers were detected by the Auditor-General. Such officers claimed mileage allowance for allegedly making official journeys in Uganda at the very time they were known to be abroad and for which they were also claiming subsistence allowances.<sup>5</sup> Connected with this form of corruption has been the selling of vital information leading to acquisition of Tender Awards.

Such mal-practices involved both bribery and use of personal connections, an exercise well summarized by Medard. He wrote:

We can conclude that there are two currencies which are exchanged in corruption. Money and personal connections...If you do not have money but have the right connections you can obtain the same result. For instance,

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<sup>1</sup> *Weekly Topic*, Kampala, 2nd April, 1986.

<sup>2</sup> *CF.Weekly Topic*, Kampala, May 28, 1986.

<sup>3</sup> *Ibid.*

<sup>4</sup> See paragraph 222 of the Auditor-General's Report June, 1967.

<sup>5</sup> See paragraph 327 of the Auditor-General's Report June, 1968.

if one wants a telephone installed in his house, if one follows the normal administrative procedure one will be told that there are no more lines. If one pays or if one knows the right person, one will have his telephone connected.<sup>1</sup>

This leads us to a brief outline of types of corruption. Stephen Riley makes a distinction between three types of corruption. Corruption at an individual level is incidental. When bribery is practiced on a massive scale as in Nigeria and Uganda, it is termed systematic. Lastly, systemic corruption occurs in a situation where wrong doing has become the norm, and the standard accepted behavior necessary to accomplish organizational goals according to the notion of public responsibility and the trust has become the exception, not the rule.<sup>2</sup> Zaire is an illustration of systemic corruption. Marshall Mobutu, the Head of state of Zaire, said to the civil servants on May 1st, 1976:

If you steal, do not steal too much at a time. You may be arrested. Steal cleverly, little by little. And if you succeed in the stealing, invest what you have stolen in the country itself. Those who export what they steal are enemies of the Republic.<sup>3</sup>

This quotation clearly shows that even the Head of State is aware of the existence of systemic corruption. But what have been the causes and consequences of corruption in Uganda?

### Causes and Consequences of Corruption

The first and foremost reason for corruption has been an absence of exemplary leadership. From 1966 to January 24, 1986, Uganda has lacked exemplary leadership.<sup>4</sup> In 1966, Obote abrogated the

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<sup>1</sup> M. Medard, "Public Corruption: A Comparative Perspective," a Public Lecture given at Makerere University, May 13, 1986, p. 4.

<sup>2</sup> Stephen Riley, "Public Corruption in West Africa: Political Culture, Context and Control", Department of International Relations and Politics, North Staffordshire Polytechnic, p. 8. Cited in Medard, *op. cit.*, p. 5.

<sup>3</sup> *Ibid.*, p. 5.

<sup>4</sup> 18 President Lule attempted to exhibit exemplary leadership but he was overwhelmed by his opponents during his leadership of 68 days.

<sup>19</sup> However, from 1981 to 1984 there was a slight relative improvement in terms of trade. If

independence constitution. Henceforth, he ruled the country through the barrel of the gun. People became cynical and frustrated. In 1980, the elections were blatantly rigged. The leaders became unpopular and they were pre-occupied with personal survival. The state had been privatized and ceased to fend for Ugandans. Under these circumstances corruption flourished. However, since the NRM came into power on January 26, 1986, we have so far witnessed exemplary leadership. For example, extravagant expenditure has been curbed and the state has restored law and order.

The second cause of corruption can be attributed to the breakdown of the economy, morality, and public institutions, factors that placed Ugandans in a state of nature where life was short, brutish and nasty. Extreme under-remuneration of the working force of all categories has forced people to use every method possible to try to survive.

The third cause of corruption is found in external factors. Like all producers of raw materials basically dependent on coffee and cotton, Uganda's terms of trade have been unfavorable.<sup>1</sup> Consequently, the national cake has been shrinking. This development has caused more desperation in a country which has been looted from within and without. Some ruthless external forces have taken advantage of our chaotic condition by trading with Ugandans using corrupt methods which maximize profit. Racketeering or *Magendo* has virtually become institutionalized in Uganda. The second external factor lies in colonialism which undermined Uganda's cultural norms and mores that bound the country's society together. On top of this confusion, Ugandans inherited and maintained irrelevant British legal procedures, thus making Ugandans vulnerable to value manipulation and confusion.

The first consequence of corruption is political. Corruption deprives the rulers of political legitimacy - the right to rule. A cynical society is very difficult to rule because it lives without hope and it does not assist the Government to eliminate wrong-doers. Second, corruption leads to inefficiency, poor performance, and paralysis, especially of public institutions. The decisions of government cannot be seriously implemented. Third, corruption leads to moral decay and it

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we take 1980 as a base year, the terms of trade were 75, 75, 79 and 98 for 1981, 1982, 1983 and 1984 respectively. For details, consult The World Bank, *Finance Adjustment with Growth In Sub-Saharan Africa*, 1986-90. (Washington, D.C., 1986) p. 77.

becomes difficult to give a society which has delayed morally a positive direction.

Fourth, corruption leads to wastage of public funds and thus it becomes impossible to develop the country economically. Our corruption is more dangerous than the corruption which takes place in developed countries. In our case, the looted money is sent abroad where there is security and thus it does not benefit our country. In the case of developed countries, the looted money tends to stay in their political systems eventually benefitting their systems.

### Possible Solutions

The first solution is to evolve exemplary leadership at all levels of our society. President Museveni has so far shown this leadership. The soldiers who raped and stole have so far been disciplined. However, it is essential to ensure that they are paid adequate salaries. They should be confined to barracks as soon as pockets of thuggery are wiped out. Leaders must declare their assets. As already noted, serious corruption takes place at high levels. Top leadership must screen occupants of top posts and remove corrupt leaders.

Petty corruption can be greatly reduced by offering coffee and food crop prices comparable to our neighbors. Significant under-remuneration of the working people must cease. A living wage must be given to Ugandans. Dr. Semogerere argues that salary and wage increases are inflationary.<sup>1</sup> However, Professor Mulema disagrees with this view. He says,

Rises in salaries and wages can only have a significant inflationary effect if they are financed by government borrowing from the banking system. Worst of all from the Central Bank (Bank of Uganda). If salary and wage rises are financed by tax revenue, there should be no significant effect on price levels. This is because such rises would simply imply a transfer of purchasing power from the taxed to the salary earners...<sup>2</sup>

Mulema's arguments are persuasive. However, we should remember

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<sup>1</sup> G. Semogerere, "The Effect of Exceptional Money Wage Increases July 1st, 1984 on Uganda's Performance: A Preliminary View", *Makerere Economic Papers*, February, 1985, p. 2.

<sup>2</sup> P.S. Mulema, *Reflections on Uganda's Economic Performance* (Unpublished pamphlet), p. 14.

that the base to be taxed is narrow and the machinery to collect the taxes has been weak and corrupt. It would therefore seem that the ultimate solution to some of our problems lies in increasing production of goods and services so that we may have a reasonable national 'cake' to distribute equitably to all Ugandans.

Commissions of inquiry have been set up to investigate corruption. The members of these commissions should be carefully screened and should declare their assets. This will disclose the mechanisms through which a lot of public money is swindled, prompting remedial measures. In addition, major financial contracts and political agreements which are made with foreign bodies and countries should be ratified by our national legislative body. The Audit Department and the Inspectorate Sections should be consequently strengthened.

The final solution, however, is political. From 1966 on, the elites manipulated the power belonging to the people and used state terror to muzzle the masses. The people must regain their power and civil competence. The introduction of the Resistance Councils and committees can assist the process of enhancing popular participation in decision making. The role of these committees and their authority relationship with the existing bureaucratic and political institutions must be fully defined and explained to the people.

## **Conclusion**

Privitization of the state, local governments and parastatal bodies has been the chief form of corruption through which public funds have either been wasted or looted. In some respects, privatization is a return to the past practices in which chiefs and/or Kings did not make a major distinction between public funds and their personal funds. However, it must be noted that the traditional Kings and chiefs did not send public money abroad. Furthermore, they tended to redistribute the wealth to the people. They also tended to take communal and traditional responsibility seriously and were restrained by strong traditional sanctions. Our politicians and chairmen of the Parastatal Bodies have behaved like mercenaries and they have neither been restrained by the modern legal systems nor by the traditional norms. It is thus essential to evolve national norms and mores which will be respected by the nationals. We need to create nationalists who will jealously guard the wealth of Uganda against domestic and international vultures. We must review the legal system. Finally, the national 'cake' must be enlarged and equitably distributed.