

Abstract

Uganda's privatization in the 1990s was marred by malpractices and manipulations involving regime politicians and well-connected individuals. This article is one of the first to document publicly an African case of privatization abuse. In particular, it documents a number of scandals that tainted privatization with serious accusations of corruption and cronyism. The article also examines aspects of corruption and governance in Uganda, arguing that the presence of a vigilant legislature and media willing to expose privatization abuse have led to a more honest divestiture process in the country, although various weaknesses as well as the failure of anti-corruption agencies to prosecute or punish leaders for their corrupt privatization behaviour has hardly undermined high-level corruption in public affairs. As in other African countries, and as considered briefly here, where few checks exist on government divestiture decisions, where political leaders seek to divest to favoured clients, and where the big offenders are unlikely to be punished for their illegal behaviour, then privatization activities will be susceptible to corrupt and cronyist practices.