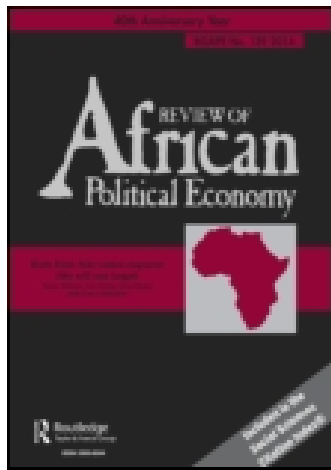


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# Military Corruption & Ugandan Politics since the late 1990s

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*Roger Tangri & Andrew M Mwenda*

**The paper examines cases of corrupt military procurement in Uganda since the late 1990s. It also considers the illicit business activities of Ugandan army officers in the Democratic Republic of the Congo since 1998. The paper then discusses how military corruption aroused the concern of parliament, and became a matter of importance in the 2001 presidential elections. We argue that the prevalence of military corruption was the result of government and army leaders not being subject to public accountability. Not a single leader has been faced with prosecution or punishment for corrupt military behaviour. We conclude by arguing that military corruption has helped to maintain the National Resistance Movement (NRM) in power, although this has been realised at the cost of building a professional national army in Uganda.**

One of the most notorious areas of corruption everywhere is that concerned with the procurement of military equipment and defence supplies. In the case of the NRM Government, in power in Uganda since 1986, it has been mainly since the late 1990s, when the government began acquiring more and larger military hardware mainly through third parties, that the buying of arms became so seriously tainted with corruption. A number of major tenders were entered into for aircraft, guns, and tanks as well as items such as food rations and uniforms. These deals invariably involved bribes and kickbacks and also massive overpayments from which army officers, top government officials, and middlemen profited.

Senior military officers and their civilian business associates have also profited whenever military operations have had to be conducted to combat insurgencies threatening Uganda's security. For instance, Ugandan soldiers have been deployed in neighbouring Democratic Republic of the Congo (DRC) since August 1998 in order to clear the border areas of hostile rebel forces intent on destabilizing the NRM Government. But Ugandan military involvement in the Congo was extended well beyond the border security zone. By most accounts, the Uganda Peoples Defence Force (UPDF) advanced into areas of eastern Congo to profit financially from the plunder of natural resources. Indeed, the Congo has proven to be a veritable treasure trove for a small number of high-ranking army officers who, together with their civilian business partners, have become rich from smuggling and resource plunder.

In this paper we document cases of corrupt military procurement as well as the illicit business activities of top military commanders engaged in military operations against rebels in neighbouring DRC. We also consider how military corruption, especially from the late 1990s, aroused the concern of parliament, the press, and the political opponents of the NRM Government as well as how the whole issue became a matter of some importance in the 2001 presidential elections. We argue that the prevalence of

military corruption has been the result of government and army leaders not being subject to public accountability. Not a single leader has been faced with prosecution or punishment for corrupt military behaviour.

The paper concludes by arguing that military corruption has been used to maintain the NRM regime in power. Corrupt military procurement and economic plunder have benefited key UPDF officers as well as promoted their loyalty to the regime. But military corruption has also impaired the building of a professional national army turning it into a partisan instrument of the NRM government.

## Arms Purchases

From the mid-1990s, the NRM Government became concerned about controlling insurrections in northern and western Uganda. It began to modernise and re-equip the armed forces, and hoped that by deploying more and better weapons the military would prove more effective in combating rebel activity. But the process of acquiring defence equipment created many opportunities for military corruption resulting in a number of cases of serious corruption in the area of arms purchases. Corruption in military procurement was to have a deleterious impact on the ability of Ugandan soldiers to put down the rebels.

### MI-24 Helicopter Gunships<sup>1</sup>

In 1996 the NRM Government decided to buy Russian helicopter gunships because of their potential effectiveness against the Lord's Resistance Army (LRA) which, with Sudanese backing, had been waging an armed campaign against the Ugandan regime since 1988. Various interests began to lobby to supply the helicopters to the Uganda People's Defence Force (UPDF). Among them was a Kampala businessman, Emmanuel Katto (his wife was a sister of the Ugandan Chief of Defence Staff, General James Kazini), who contacted his overseas partners in a company called Consolidated Sales Corporation (CSC) about the possibility of supplying the UPDF with the gunships. He also contacted Kwame Ruyondo (a foster child of President Yoweri Museveni) employed at Caleb International, a company owned by Museveni's younger brother, Caleb Akwandenaho (popularly known by his *nom de guerre*, Salim Saleh). In mid-1996, Ruyondo conveyed information about CSC offering to sell MI-24 gunships to Major-General Salim Saleh who was at that time commander of the counter insurgency operations against the LRA in the north.

Subsequently, Salim Saleh discussed with President Museveni the matter of CSC providing the helicopters to the Ugandan army. As Minister of Defence, Museveni agreed to give CSC the contract to supply UPDF with four second-hand combat helicopters. No bidding process occurred. Instead, Museveni directed officials of the defence ministry in October 1996 to acquire the four gunships through CSC.<sup>2</sup> CSC offered Saleh a commission of some \$800,000 (Wakabi, 2000b).<sup>3</sup> It also paid Ruyondo a similarly large commission. A judicial commission of inquiry into the purchase of the helicopters later reported that the 'inducements offered to Ruyondo and Saleh jeopardized transparency', 'eliminated healthy competition', and 'guaranteed contractual terms that favoured' CSC rather than the government. It recommended criminal prosecution of Saleh, Katto, and Ruyondo (GOU, 2003). Eventually, CSC was paid \$12.2 million by the Ugandan Government for four helicopter gunships but it actually purchased them for \$4.7 million from a company in Belarus, a former Soviet Union republic. (Some interviewees say that the government paid \$6.5 million for two helicopter gunships).

In May 1997, the Ministry of Defence sent Colonel Kiiza Besigye, the chief of logistics and engineering, as head of a team from Entebbe military air base to Belarus to carry out a pre-shipment assessment of the gunships. Besigye reported that the planes had not been overhauled and that the logbooks were in Russian. He recommended that the contract be amended to provide for the overhaul of the helicopters. He also advised against the purchase of the gunships through intermediaries such as CSC, which he described as a 'dubious' company without direct access to the manufacturers of the helicopters. Buying through intermediaries, Besigye warned, was much more expensive than buying directly from the manufacturers.

Besigye's warning notwithstanding, the defence ministry contacted CSC and a new amended agreement for the supply of the helicopters – containing specifications derived from Besigye's report – was concluded. Several months later in July 1997, CSC informed the government that the gunships had been overhauled as provided for in the contract and were ready for inspection before being sent to Uganda. Once again a team headed by Besigye and including Emmanuel Katto visited Belarus in October 1997. The Belorussian intermediaries produced logbooks in English and convinced the Ugandan team that the planes were airworthy. Besigye reported that although they had not actually inspected the gunships, the logbooks suggested that the planes were in order, and that the Ministry of Defence should accept them.

CSC delivered two helicopters in March 1998. Two more were expected shortly afterwards. (In fact, they were never sent to Uganda and have remained in Minsk, Belarus). CSC also provided technicians to assemble them. But to the surprise of the CSC proprietors, the gunships proved not to be airworthy. They had clearly not been overhauled and the logbooks were different from those that Katto and Ugandan defence officials had seen earlier. The Belorussian intermediaries had duped CSC. CSC invited the manufacturers from Belarus to come to Uganda, and it was then discovered by Ugandan officials that the cost of the helicopters had been grossly inflated. Salim Saleh, who had in the meantime become presidential advisor on defence and military affairs (essentially overseer of the Ministry of Defence) informed President Museveni about the defective helicopters. He also confessed to having been offered a commission from CSC to expedite the contract in Katto's favour, and proposed to return it as well as resign from the ministry. Museveni forgave his brother – as it was 'his partners who gave us bad helicopters' – and directed Saleh to use the commission earnings for military operations against rebels in northern Uganda (Wakabi, 2000b).

The gunships have, however, remained grounded at Entebbe airforce base. And the Government has lost over \$12 million on the deal (or, by some accounts, at least \$6,545,275).

### **MIG-21 Jet Fighters, 100mm Anti-aircraft Guns & T-55 Tanks**

Concerned about Sudanese bombing in the north, the Ugandan government decided to acquire jet fighters to carry out border patrols as well as to force down Sudanese bombers. In late 1998, the Ministry of Defence contracted an Israeli businessman based in Kampala to purchase jet fighters for the military. No tendering or bidding process took place. Eventually, four MIG-21 jet fighters were supplied – old and outdated Soviet-made planes with a limited bomb carriage capacity as well as malfunctioning radar guidance systems. Their fuel tanks were also too small for purposes of flying from Gulu airbase to as far as Juba in Southern Sudan and return to base without refueling. Moreover, two of the jets delivered to Entebbe military base

had only one wing (Mukasa and Ochieng, 1999). It was, however, difficult for the Government to take the Israelis to court for supplying inappropriate planes. The agreement that was signed was vague as well as informal (Wakabi, 2000d). Some \$50 million is alleged to have been spent on these planes by the defence ministry. They were said to be grossly overvalued; a more reasonable price was estimated to be \$10 million. In November 1999, the Government contracted another Israeli businessman to take the warplanes to Israel's state-owned Israel Aircraft Industries (IAI Enterprises) for upgrading as well as remodeling. The jet fighters that the Ugandan government eventually acquired were therefore considerably more expensive than if they had been purchased new directly from the manufacturers (*The East African*, 2000).

But even before the jet fighter scandal, Ministry of Defence officials had contracted a consortium headed by an Israeli businessman to buy anti-aircraft gun to shoot down Sudanese planes. The consortium bought these guns in North Korea. They were second-hand Russian-made 100mm anti-aircraft guns. They turned out to be obsolete. They were brought to Uganda without being refurbished and without mechanical defects being corrected. In December 1997 and January 1998, the guns were taken to the north where they proved malfunctioning; they were junk. They failed to shoot down the Sudanese Antonov bombers operating in the north. Once again, the Government was unable to sue the consortium as the agreement concluded between the two parties was an informal understanding and therefore not actionable in court. And, as with other military hardware, the Government paid a highly overvalued price for the guns.

Yet as if these cases had not provided sufficient warning to the Government about being cautious in procuring military supplies through middlemen, in December 1998 the Ugandan army took delivery of a consignment of 62 tanks which were to be used to intervene against Sudan. They turned out to be obsolete Russian T-55s, all but eight of which were not operational on arrival in Uganda. Once again, Israeli and Ugandan businessmen were a conduit for the shipment of the hardware. In early 1998 they arranged the sale with the defence ministry and reportedly received \$4 million in commission payments while the total cost of the deal was \$28 million, at least four times above the market price for outdated tanks (Blair, 1999). In order to make the tanks serviceable, they had to be reconditioned at much cost by four Israeli mechanics.

### **C-130 Hercules**

In 1975, the Ministry of Defence bought a C-130 Hercules plane which was hardly used over the next twenty years. In December 1995 the Hercules had a fire after landing at Cairo airport. Four companies bid to repair it. All four bidders were listed by the manufacturer as competent to repair the plane. Eventually, the Hercules was taken to France to be repaired by a company, which had not even submitted a bid. A Swiss company, AVISTO, was paid \$12 million to carry out the repairs which was much more than the \$1.8 to \$2.6 million estimated repair costs of the original four bidders (*The Monitor*, 1999). That the cost of repairs was highly inflated is evident from estimates of an overhauled C-130 costing some \$6 million. Moreover, the repairers came to Entebbe and collected the spare parts for the C-130, which had been stored there since 1975. These parts were valued at some \$900,000.

Repairs were finally completed in May 1998, and the C-130 flew several times between Entebbe and Kisangani and other destinations in eastern Congo transporting military personnel, food and materiel. However, the plane soon developed problems and was grounded for at least half a year. Engineers and pilots working at Entebbe

airforce base informed President Museveni about the C-130. In a report to the President, they provided details of the 1995 fire, the inflated costs of repairing the plane, and the current technical problems it was experiencing. In particular, they showed how senior defence officials had acted against the national interest by allowing hugely inflated repair charges. The President did not respond to the report.

In 1998, Rwanda and Uganda invaded the neighbouring Democratic Republic of Congo (DRC). Publicly this was said to be for security reasons. Both countries wanted to clear their border areas with the Congo of rebels trying to destabilise their governments. Both countries' armies occupied large areas of eastern Congo and also installed a joint occupation of Kisangani. The transportation of military personnel and supplies from Uganda to DRC was a lucrative business earning the transporters huge profits. Top defence ministry officials and Salim Saleh were in competition for this air transport business. When the C-130 Hercules was grounded, Saleh's Air Alexander which had a Boeing 707 made large profits ferrying soldiers and equipment.

However, a businessman, Andrew Rugasira, came onto the scene with a Russian-made Ilyushin-76 cargo plane owned by a Ukrainian company called UCA which had been involved in relief work in Ethiopia. Rugasira's VR Promotions in partnership with UCA offered, in September 1998, to do the air ferrying for the Ministry of Defence at prices which seriously undercut those which Air Alexander was charging. Rugasira's rivals alleged that he was a front for defence officials, and they attempted, unsuccessfully, to block Rugasira from the lucrative air transport business. The defence ministry continued to charter the Russian-made Ilyushin-76 and Antonov-12 planes even after the C-130 Hercules was repaired and in sound mechanical condition. Indeed, according to documents made public in mid-2001, defence paid Rugasira an exorbitant \$4,486,805 between October 1998 and March 1999 to transport soldiers and military equipment to and from the DRC.<sup>4</sup>

### **Plundering Congolese Resources & Military Criminalisation**

Senior Ugandan army officers have been involved in smuggling resources – timber, coffee, diamonds and gold – from the DRC to Uganda. Top military commanders, however, have had a history of using war situations for private profit. While in charge of operations against the LRA rebels in the north, Major-General Salim Saleh is alleged to have awarded his own company a Ushs 400 million (\$400,000) monthly tender to supply UPDF with commodities in Gulu. And a number of other officers pursued their commercial interests much more actively than fighting the war. In the view of critics, they even refused to talk seriously with the rebels because they wanted to prolong the war from which they were benefiting.

In war-torn Congo, Salim Saleh's private business activities also came under severe criticism. His Congolese business ventures came to prominence following the September 1998 crash of a plane in the Rwenzori Mountains along Uganda's western border with the DRC. The accident killed Lt-Colonel Jet Johnson Mwebaze (a brother of Brigadier James Kazini, chief of staff of the UPDF) and four others, all of whom had business links with Saleh or were his business partners. The plane was on a clandestine gold-buying mission with a million dollars in cash on board. A journalist reported in *New African* (London) in May 1999 that the 'mission was on behalf of the Israeli firm, Efforte Corporation, in which Saleh had substantial shareholdings' (Sebunya, 1999). The tragic incident revealed how heavily involved Saleh was in transporting gold from eastern Congo to Uganda as well as how gold was usually classified as military cargo to avoid payment of customs duties. Indeed, military

officers and their civilian business associates had been transporting goods illegally into Uganda with impunity. In May 1999, the Uganda Revenue Authority (URA) protested army officers smuggling Congolese resources into Uganda while the Civil Aviation Authority (CAA) criticised unlicensed aviation operators operating from Entebbe to eastern Congo in contravention of CAA directives. An opposition parliamentarian, Aggrey Awori, decried 'powerful and well-connected individuals' for flouting CAA and URA regulations but remaining untouched. He also declared that the wives of 'highly placed officials' – including Mrs Joviah Akwandenaho who owned an aviation firm, Air Alexander, which she had bought from her husband Salim Saleh – were responsible for the continued smuggling (*The New Vision* (Kampala), 18 August 1999).

In an April 2001 report by a United Nations panel of experts (as well as in a second revised report in October 2002), the Ugandan military was accused of plundering Congo's wealth. It was alleged the UPDF had advanced into the mineral rich areas of eastern Congo to enable its officers to become involved in the plunder of minerals and timber. Salim Saleh and Brigadier James Kazini, the overall commander of Uganda's military mission in the DRC, were named as the two behind various companies exploiting Congo's natural resources (United Nations, 2001, 2002). One of the Congolese rebel groups, the RCD-ML, also accused individual Ugandan army officers of committing economic crimes in the Congo, and ordered the disbanding of Trinity Investments Limited (TIL) following a probe of the company's operations. Salim Saleh and Ugandan businessman, Sam Engola, was involved with TIL, as was, reportedly, Brigadier Kazini. The company was alleged to have imported goods into DRC without paying customs duties to the rebels as well as exported gold, timber and coffee without paying taxes. According to investigations conducted by the rebels, they had been losing about a million dollars a month since TIL was founded in November 1999 (*The New Vision*, 8 June 2000; 23 November 2000).<sup>5</sup>

Commercial interests as well as commercial rivalries were also an important factor behind clashes between Rwandan and Ugandan troops in the Congo in 1999 and 2000. High-level military men and their civilian business partners engaged in trade in the DRC found that by the late 1990s their businesses were facing stiff competition from Rwandan traders. According to informants, it was partly to counter Rwandan business influence that Salim Saleh persuaded President Museveni to become involved militarily in the Congo in 1998. On 12 October 1998, the semi-official Rwandan *The New Times* attacked Saleh saying that he had reduced the UPDF in the Congo 'to a thieving gang'. UPDF officers were accused of plundering Congo's riches rather than fighting the war. Disagreements between the Rwandan and Ugandan militaries partly over control of Kisangani and partly over rival business activities erupted in armed confrontation between the two erstwhile close allies three times in 1999 and 2000. Many Ugandan soldiers were killed in these clashes. At a meeting with Museveni in August 2000, army returnees from the DRC claimed that one reason for the Ugandan military fiasco with Rwanda was that 'some senior UPDF officers made mistakes because they were concerned with their selfish economic gains' (Mucoori et al., 2000). This was echoed in another statement issued by junior army officers who called for an inquiry into allegations that 'very high ranking army officers and politicians have indeed benefited from this senseless war at the expense of our comrades'.<sup>6</sup>

Two other incidents of violence and death accompanying business dealings by army officers are worth mentioning here. In 1997, journalists obtained copies of bank statements regarding the accounts held at the Gulu branch of Uganda Commercial

Bank by the 4th division of the UPDF as well as its commander, Colonel James Kazini. The division's account was shown to be almost empty while Kazini's personal account was running a turnover of some Ushs 800 million (\$750,000) per month as a result of division funds being paid into it (*The Monitor*, 22 July 1997). Kazini is apparently a distant cousin of President Museveni's wife, and State House issued a statement rebutting charges of any impropriety and claiming the division's money was being spent legally. However, according to informants, Kazini was using the money to conduct his business activities. When the divisional paymaster, Lt. Gerald Osele, protested about the illegal use of the money as well as its slow rate of repayment, he was found dead shortly afterwards. The official military view of the death was that the paymaster had committed suicide after being unable to account for substantial funds. But the paymaster's close relatives were insistent that he had been killed on the orders of 'a senior officer' because, in the words of a parliamentary select committee on defence, 'he had refused to 'cooperate' with his bosses in embezzling soldier's funds' (Parliament of Uganda, 2001).

Three years later, the paymaster for Ugandan troops in the DRC disappeared with Ushs1.68 billion (approximately US\$1 million) meant for salaries of soldiers. The official military view was that Captain Dan Byakutaga had embezzled the money and fled to Dubai. But a number of our informants reported that his disappearance had been 'organized' by high-level officers among whom was mentioned Brigadier James Kazini, the overall commander of Uganda's military mission in the DRC. It was well known to many soldiers that Kazini as well as Salim Saleh to finance their trading activities in minerals and timber in eastern Congo were using money meant for UPDF salaries. It is alleged that because Kazini began to make commercial losses and was unable to repay army funds that Ugandan soldiers in the Congo did not receive their pay for nearly three months in 2000. Some interviewees provided evidence that it was the need to cover up these losses and theft of soldiers' wages that made it necessary for the army paymaster to disappear. Indeed, on 25 August 2000, a Kampala weekly, *Uganda Confidential*, published an article accusing Kazini of gross corruption and also for being behind the disappearance of Captain Byakutaga.

### Further Military Corruption

In March 1999, after a process of competitive tendering, a South African Company, Kramer Trade and Technology (KT&T) won the right to supply Ugandan troops in combat areas with food rations. The huge consignment of food was shipped from South Africa to Mombasa and then brought by train in 42 containers to Uganda where it was stored at an army barracks in Jinja. But when government officials tested the food in July 1999, they established that it had expired, and impounded it. Information from interviews revealed that there had been a bitter wrangle in the military tender board regarding the awarding of the contract. The defence ministry's permanent secretary, Ben Mbonye had supported the South African Company, while some senior army officers had favoured a rival firm to supply the food. Upon losing the tender, the army officers swore that the UPDF would not take delivery of the food. So when the food arrived, the officers rejected it claiming it was expired. They bribed or intimidated officials from the Uganda National Bureau of Standards to issue a report that the food had expired. However, the South African company which won the tender produced evidence that their food had been examined by the South African authorities prior to export, and also by Intertech Services, the company hired by Uganda to conduct pre-shipment inspection. The South Africans, in turn, brought international inspectors to Uganda who confirmed that the food was suitable for



human consumption but the military officers remained intransigent. The South Africans sued the Ugandan government for refusal to pay for food rations worth \$1.48 million that were supplied to the Ugandan army by the firm. After arbitration in England, the Ugandan ministry of defence paid \$2.1million to KT&T for the breach of contract (Wakabi, 2000a; Abbey, 2001b). Another serious consequence of the food fiasco was that during 1999 and 2000, the thousands of Ugandan soldiers inside the Congo went without adequate rations. In Congo's war zones, they also found it difficult to prepare food for themselves. Hungry Ugandan soldiers were routed in the clashes with the Rwandans in Kisangani.

Also in 1998, the Ministry of Defence invited bids from companies, which could supply the Ugandan army with uniforms. Five companies submitted bids. The company that was awarded the contract to supply 60,000 pairs of camouflage uniforms and another 60,000 pairs of plain at a cost of \$1.8 million was fronted by leading members of the Army Tender Board. According to the tender documents seen by the authors, the contract should have been awarded to a British company. When the South Korean firm delivered the uniforms, they were discovered to be far too small for the Ugandan soldiers. The undersize uniforms were never returned to the supplier, and the Ugandan government lost a few million dollars through the deal (Mucunguzi and Mwenda, 2000). Ugandan soldiers that fought against the Rwandans at Tchope Bridge in June 2000 were mostly poorly dressed and their boots were also torn. By all accounts, they looked like a rebel army.

### **Military Corruption & Ugandan Politics**

Serious cases of military corruption occurred in Uganda in the late 1990s. These were prevalent predominantly in the procurement of defence equipment and army supplies but occurred also where the UPDF was deployed in war situations. Most of those involved in diverse corrupt military behaviour were army officers, but senior defence ministry officials and civilian business people also participated. Many of these military and political figures were closely connected – at times related – to President Museveni and his wife. And, indeed, it was President Museveni who was responsible for permitting an environment to emerge conducive to much military corruption by a handful of his relatives and supporters. For instance, at various times the President directed that tenders be awarded to certain companies for arms purchases thus subverting legal procedures and government standing orders that military purchases be subjected to competitive bidding. The judicial commission of inquiry into the helicopter gunships was highly critical of Museveni's role in the purchase of the helicopters as well as in military procurement generally. In 'most cases of classified purchases' reported the commission, it was the president who 'himself identifies the supplier of that equipment'. Moreover, it continued, the 'negotiations of price, quality and quantity are usually concluded between the president and the supplier at this stage' (GOU, 2003; Wakabi, 2000c).

On a number of other occasions, President Museveni refuted claims of corrupt business dealings and embezzlement by his top military commanders. He was particularly vehement in his rejection of accusations contained in the report to the United Nations (UN) in April 2001 that Salim Saleh and Brigadier James Kazini were orchestrating Congo's plunder. By denying the existence of trading and smuggling activities, even when confronted with evidence from his own Ugandan soldiers as well as from the United Nations, Museveni was condoning illegal military behaviour. Indeed, the UN report charged Museveni and President Paul Kagame of Rwanda of being 'accomplices' to the pillaging of Congo's natural resources, especially by failing

to prevent their top military commanders from profiting from the exploitation. Moreover, in the case of each procurement scandal that surfaced as well as the more sinister incidents of deaths of army paymasters, the President only allowed the army to conduct its own internal investigations, the results of which were never made public. Even where the President directed that judicial commission of inquiry be instituted (as in the helicopter deal and on the DRC), their findings were only made public after much donor pressure. Certainly, none of the investigations resulted in the prosecution or punishment of any high-level figures in the UPDF and the defence ministry.

In African countries, the most serious cases of corruption have occurred in those areas of the state (such as defence and security services) which are the least accountable. Similarly in Uganda, despite criticism from parliamentarians, the press and the political opposition, little was done to inquire into controversial defence deals or the illicit activities of army generals or the disappearance of army finance officers. An editorial in *The Monitor* newspaper (22 September 1999) called for 'accountability in the realm of defence expenditure' especially after the fiasco of the MI-24 helicopter gunships. 'Regrettably' it observed, 'defence transactions have so far been largely obscured from scrutiny'. In this regard, the anti-corruption agencies shirked from inquiring into both the military budget and defence procurement issues ostensibly because of national security considerations. The Inspector-General of Government, Jotham Tumwesigye, noted merely that his office was 'not involved in investigating defence expenditure'. And, similarly, the international financial institutions proved highly reticent in investigating Uganda's military affairs. In April 2001, an expert panel of the United Nations chastised the World Bank for failing to point out that Uganda's increased exports of gold and diamonds were principally the result of its incursions into the Congo. The limited extent of accountability and transparency in defence budgets, procurement practices, and military activities in operation zones as well as the indifference to military wrongdoing shown by official anti-corruption agencies and international donors created abundant opportunities for corruption in all of these areas.

Members of the Ugandan Parliament did, however, on several occasions in the late 1990s, attempt to probe procurement of defence supplies as well as UPDF activities in war-torn Congo. But up to mid-2000, pro-government MPs rebuffed all these attempts. For instance, in February 1999, a majority in Parliament rejected a motion put forward by a number of MPs that a select committee be set up to investigate alleged corruption in the procurement of military equipment such as helicopters, tanks, etc. Government ministers were able to convince the majority of parliamentarians that such an investigation would jeopardize national security by divulging sensitive security information.

But in the wake of weapons scandals as well as the disappearance of the UPDF paymaster in the DRC, MPs successfully set up a select committee in July 2000 to probe corruption and mismanagement in the army. Those Government ministers who were urging MPs to drop their plans were 'reminded of the junk helicopter gunships' saga, undersize uniforms affair, malfunctioning tanks fiasco and expired rations scandal'. The ministers were also told of serious parliamentary concern over the loss of salaries of troops deployed in the Congo as well as payroll inefficiencies and lack of payment of gratuities and pensions to former army personnel (Ochieng, 2000). And they were further made aware of the dissatisfaction among MPs that the various scandals remained unresolved, and that parliamentarians held a low opinion of the ability of the army to investigate itself in these matters.

There was much manipulation of the membership of the fourteen-person team appointed by Parliament to probe allegations of corruption, mismanagement, and abuse of office in the military. A number of MPs, including Winnie Byanyima and Norbert Mao – both members of the parliamentary defence committee – protested what they saw as the unrepresentative nature of the select committee membership as well as that some members ‘knew next to nothing about defence matters’. In attacking the composition of the select committee – of which they were not chosen as members – they argued that the Government had ‘nominated people who were boot-lickers of the system’ and that this ‘undermined its ability to carry out informed research and submit an impartial and accurate report’. For Norbert Mao, the probe team was ‘a whitewash right from the word go’; and he provided a damning verdict on the parliamentary probe: ‘first junk tanks, then junk choppers and now from all indications, a junk investigation by parliament’ (Luganda and Tegulle, 2000). As the names of the members of the committee were read out in Parliament, they were accompanied by much heckling of the Speaker. Eventually, in May 2001, the select committee produced a report, which focused on trivial matters rather than the more serious allegations of military corruption.

Colonel Kiiza Besigye, a senior military assistant to the Minister of State for Defence, caused a stir in November 1999 by sending an article to the press which described the Movement leadership as ‘corrupt ... dishonest, opportunistic and undemocratic’ (Besigye, 2000). Several officers in the UPDF expressed support for Besigye’s press statement. Brigadier Matayo Kyaligonza (a Historical Member of the National Resistance Army (NRA) which had fought the five-year bush war, which brought the NRM to power) was reported as saying that the NRM had ‘diverted from our original motive’ and that ‘some people have tended to become too corrupt’. Besigye had also joined the NRA and had been Museveni’s personal physician in the guerrilla war. After the NRM came to power in 1986, Besigye had held several ministerial appointments before re-joining the army in 1989, first as a battalion commander and, subsequently in 1995 as the chief of logistics and engineering. He was therefore knowledgeable about military deals and decisions, and it was this firsthand understanding that made him increasingly critical of the NRM leadership. Especially as chief of logistics, Besigye had become concerned about the tenders regarding military procurement. In 1998, he had applied to leave the army after criticizing top military and political persons at meetings of the Historical Members of the NRA. In 1998, as well, he had married Winnie Byanyima who was a member of the parliamentary sessional committee on defence and an outspoken critic of the NRM leadership.

It was not surprising therefore that President Museveni and most other top brass in government and the army began condemning Besigye for publishing his 1999 statement. They also accused him of ‘promoting tendencies injurious to the good order of the army’. They called for an army court to try him. As commander-in-chief of the UPDF, President Museveni directed that Besigye be court-martialled for statements critical of the UPDF; and the military started proceedings to prosecute him. This decision to try Besigye in a military court sparked off protests by sections of his Rukungiri home community. ‘Who actually is a friend of the Movement?’ asked the Secretary to the Rukungiri Development Committee: ‘Thieves or a critic?’ Delegations from Rukungiri went to State House to meet President Museveni who decided to suspend the impending trial while consultations were pursued with Besigye’s supporters. Various meetings were held, and it was agreed that Besigye write a letter ‘regretting the controversy’ his statement had caused. In September 2000, Besigye handed in a letter of apology whereupon Museveni called off the court-

martial and Besigye was discharged from the UPDF on October 20. Just over a week later, Col. (Rtd) Besigye declared his intention to contest for the presidency in 2001. He stated that he had decided to stand against a fellow member of the NRM as well as a former comrade, President Museveni, because despite the latter's considerable achievements, he was no longer the appropriate leader to take Uganda into the future. According to Besigye, a new leadership was needed to help the country resolve various problems, including those of 'pervasive corruption in government'. Besigye particularly regretted Uganda's military involvement in the war in the DRC. Neither the army nor the leadership of the NRM had been adequately consulted in the deployment of troops in the Congo, and this 'engagement has diverted resources from development and destroyed our image', he declared. Besigye argued that UPDF intervention had not been undertaken to safeguard Uganda's security interests 'but rather enable a few Ugandan leaders to blatantly tap Congolese natural resources to benefit themselves'.

Besigye directed many of his attacks towards government and military corruption. At a meeting with veterans of the bush war, 'who fought to bring us to power [and who] still sleep in huts', he pointed to top officers putting up storied houses in Kampala and elsewhere, and inquired 'where are these people getting all this money' from for house construction. He attacked President Museveni in particular for failing to curb rampant corruption among army officers. 'The real problem is lack of political will to fight corruption at the highest level of government', he said, and cited the example of the President forgiving his brother after Salim Saleh confessed to being offered a commission in the helicopter deal. In his manifesto for the presidential election, Besigye declared that there would be no amnesty for the corrupt and all public officials who had embezzled state funds since 1986 would be apprehended. He also pledged, if elected, to stamp out high-level corruption in government and especially the UPDF. But, if 'Museveni stayed on for five more years', Besigye predicted that 'Uganda would win the world cup of corruption'.

The presidential elections of March 2001 were hotly contested. They showed Museveni and Besigye as political adversaries as well as bitter foes. Museveni launched personal attacks on Besigye, even claiming that his former comrade-in-arms had AIDS. The elections also saw violence with Besigye's supporters being arrested, harassed, and intimidated by state security forces. A parliamentary select committee probing election violence later cited the UPDF as the chief perpetrator of the intimidation in the 2001 presidential elections. The violence and electoral fraud that occurred marred Museveni's re-election as President of Uganda. But perhaps as important for Uganda's political future was that the reputation of Uganda's political leadership was severely tarnished by numerous revelations of corruption in government and military circles.

## **Conclusion**

In Uganda – as in other African countries – military procurement of goods and services as well as military campaigns and operations against rebels have been fraught with corrupt opportunities. The actions of government and army leaders in military affairs have rarely been subject to much public accountability and scrutiny. As a consequence, incentives for military corruption have been high and military matters have been permeated by much fraud, abuse, and criminal behaviour. Corruption scandals have dogged procurement processes as top leaders have used their virtually unfettered discretionary authority to manipulate tenders for private profit. Military operations have also been corruption-prone. Checks on field

commanders have been limited; they have, together with businessmen, engaged in corrupt and criminal actions.

To be sure, parliament and the press in Uganda have sought to hold government and military leaders accountable for their actions in military matters. As in some other African countries, they have undertaken investigations and publicly exposed military wrongdoing. But there are limits to which MPs and journalists can tilt at the windmills of power through revelations of improper defence deals and military abuse. Some have been bought off while others have been harassed and threatened into silence. And not a single army officer, senior civil servant or top government minister (as well as their civilian business associates) has faced prosecution or punishment for their alleged misdeeds.

In addition, local anti-corruption agencies and external donor agencies have been distinguished by their restraint in becoming involved in matters pertaining to the military. Recently, the International Monetary Fund began urging the Ministry of Defence to open up its classified military accounts to scrutiny and audit by parliament. Such scrutiny could have prevented 'losses incurred in defence procurement' which have cost Uganda 'millions of dollars in shady deals' (Mutumba-Lule, 2001). But such audits of defence expenditure have still to be enforced and, in the meantime, abuses in military procurement continue to occur. For instance, in a case similar to that of a few years earlier, proper procedures were not followed in the purchase of army uniforms in 2002, and, as before, the uniforms turned out to be too small for Ugandan soldiers as well as lacking in parts. Moreover, the local press reported recently that Israeli businessman, Amos Golan, 'who is believed to have high-level connections in Kampala' supplied trucks and jeeps to the army, which appear not to have been overhauled and refurbished.

Yet donor pressure on the government to control military corruption is growing. Donors provide one-half of Uganda's budgetary support, and they have obliged the government to consider guidelines for the auditing of classified expenditures. The donors have also been urging the government to make public the reports of the two judicial commissions of inquiry into the helicopter gunships and the smuggling of Congolese resources. In a sudden about-turn in May 2003, which coincided with a consultative group meeting with the donors, the government released the two reports as public documents. Moreover, the donors have been calling for the recommendations of the two commissions to be implemented, and official comments appear to accept this, although there is only faint hope that the government would prosecute the chief culprits. It is apparent therefore that the donors are aware of the problem of military corruption although controlling it will require addressing wider political issues involving the nature of patrimonial authority and executive power in Uganda.

All of Uganda's post-independence governments have experienced high levels of military intervention in government affairs. Not surprisingly, President Yoweri Museveni has sought to exercise close and direct personal supervision over the army to ensure its loyalty to him as well as his NRM government. Thus when Colonel Kiiza Besigye challenged Museveni and the NRM regime as a serving military officer, and indicated he could mobilize a military constituency powerful enough to threaten their hold over political power then he had to be halted. Besigye's presidential bid was forcibly thwarted in 2001, and since then pro-Besigye officers have been weeded out of the UPDF as well as measures undertaken under the guise of professionalizing the army to turn it into a personal and partisan instrument of the Museveni regime.

Corruption has taken place within the context of this personalization of the management of the UPDF. By seeking to bring his personal control over the army, President Museveni has in various ways undermined the institutions that were meant to govern the work of the military. In particular, formal military procurement procedures have been subverted. Military procurement constitutes an important source of financial resources for whoever controls it. Unlike government procurement tenders, which are subject to scrutiny and audit, especially by the International Monetary Fund, military procurement has been classified and highly susceptible to corruption. Through lucrative deals involving massive overpayments, military procurement has provided the financial wherewithal needed to fund the NRM's political patronage system (such as raising money for the president's election campaign) as well as for high ranking army officers and government officials to be rewarded personally for their loyalty to the incumbent regime. Similarly, military operations to combat rebels in northern Uganda and the DRC have constituted an important means of maintaining the loyalty of the military as well as financing the political needs of the NRM. For example, by permitting military officers to exploit illegally mineral interests in the areas in the Congo occupied by their forces as a means of enriching these officers personally as well as obtaining resources for paying for the NRM's political requirements.

Top army officers – including Salim Saleh and James Kazini – and others possessing close ethnic and personal connections to the political leadership – have figured prominently in many of the corrupt deals. They have benefited personally from corrupt actions as well as raised substantial funds for the president's political projects. Military corruption has thus helped to maintain the NRM regime in power. It was therefore not surprising that when Museveni's presidency was challenged in the 2001 elections, many army commanders campaigned openly against Besigye who promised to fight corruption in the military. Many senior army officers were 'particularly sensitive to any threats to prosecute or follow them up for any commissions or omissions under Museveni' (Aliro, 2002). In fact, military corruption and the threats of arrest and prosecution when President Museveni is constitutionally obliged to leave office in 2006 have propelled the current demands to amend the constitution to remove term limits on the presidency. Many senior UPDF officers and top government officials are concerned about a new political leadership coming to power in Uganda, particularly one, which endangers their personal fortunes as well as their patrons in the NRM government.

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## Endnotes

1. We have drawn on articles by Mwenda (2000) and Abbey (2001a) as well as the report of the judicial commission of inquiry into the combat helicopters (GOU, 2003) in writing this section.
2. See President/C-in-Chief (UPDF) Yoweri K. Museveni to Minister of State for Defence, 24 October 1996. A copy of this letter is to be found in Appendix No. 12 of Parliament of Uganda (2001).
3. This figure is mentioned in a letter from Yoweri K. Museveni to Minister of State for Defence, 24 December 1998. A copy of this letter is to be found in Appendix No. 5 of Parliament of Uganda (2001). A judicial commission of inquiry into the purchase of the helicopters declared that Salim

Saleh 'exhibited the highest form of greed, self-interest and corruption, the type that is proscribed under the Prevention of Corruption Act 1970' (GOU, 2003).

4. This paragraph is based on evidence presented to the judicial commission of inquiry into alleged exploitation of wealth in the DRC, Kampala, August 2001 as well as its final report (GOU, 2003a).

5. The Victoria Group was another company run by UPDF officers in the DRC to extract diamonds. In its February 2003 report (GOU, 2003a), the judicial commission set up to inquire into Ugandan involvement in the DRC accused James Kazini and a number of his cronies of being linked to the Victoria Group which was a key conduit for smuggling minerals out of the Congo. Referring to Kazini, the commission declared that 'This officer has shamed the name of Uganda', and recommended that disciplinary action be taken against him.

6. See also 'Rot in the Army: DRC Secrets, Mass Fraud, Scapegoats, etc' (memorandum from Concerned UPDF Junior Officers, ND but mid-2000).

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