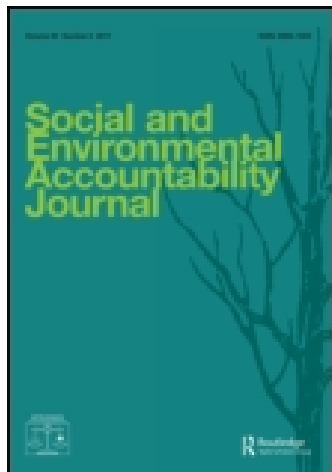


This article was downloaded by: [University of Newcastle (Australia)]

On: 27 September 2014, At: 10:21

Publisher: Routledge

Informa Ltd Registered in England and Wales Registered Number: 1072954 Registered office: Mortimer House, 37-41 Mortimer Street, London W1T 3JH, UK



Social and Environmental Accountability Journal

Publication details, including instructions for authors and subscription information:
<http://www.tandfonline.com/loi/reaaj20>

Social disclosure in Uganda? A research note on investigating absence

Vincent Kisenyi ^a & Rob Gray ^b

^a Uganda Martyrs University , Uganda

^b CSEAR , University of Dundee

Published online: 22 Nov 2010.

To cite this article: Vincent Kisenyi & Rob Gray (1998) Social disclosure in Uganda? A research note on investigating absence , Social and Environmental Accountability Journal, 18:2, 16-18, DOI: [10.1080/0969160X.1998.9651589](https://doi.org/10.1080/0969160X.1998.9651589)

To link to this article: <http://dx.doi.org/10.1080/0969160X.1998.9651589>

PLEASE SCROLL DOWN FOR ARTICLE

Taylor & Francis makes every effort to ensure the accuracy of all the information (the "Content") contained in the publications on our platform. However, Taylor & Francis, our agents, and our licensors make no representations or warranties whatsoever as to the accuracy, completeness, or suitability for any purpose of the Content. Any opinions and views expressed in this publication are the opinions and views of the authors, and are not the views of or endorsed by Taylor & Francis. The accuracy of the Content should not be relied upon and should be independently verified with primary sources of information. Taylor and Francis shall not be liable for any losses, actions, claims, proceedings, demands, costs, expenses, damages, and other liabilities whatsoever or howsoever caused arising directly or indirectly in connection with, in relation to or arising out of the use of the Content.

This article may be used for research, teaching, and private study purposes. Any substantial or systematic reproduction, redistribution, reselling, loan, sub-licensing, systematic supply, or distribution in any form to anyone is expressly forbidden. Terms & Conditions of access and use can be found at <http://www.tandfonline.com/page/terms-and-conditions>

SOCIAL DISCLOSURE IN UGANDA?

A research note on investigating absence

Introduction

Western researchers in the (so-called) developed nations can too easily become myopic in their fascination with the parochial concerns of their own countries. Whilst we are steadily learning more about social and environmental accounting and disclosure practices in English-speaking and European countries, (as past issues of *SEA* testify), we still know too little about practices in ex-colonial, smaller and/or emerging countries. Learning about these countries is not only valuable for the stimulation it offers to the jaded palattes of western scholars but, more importantly, it can provide vivid challenges to the presuppositional baggage with which western researchers typically approach issues.

Trying to study social and environmental disclosure in Uganda was something of a risk. We had no idea if Uganda *had* any such disclosure, whether anybody had ever thought of it and, most pertinently, whether Uganda even *needed* such abstract and formal mechanisms of (ideally) accountability. Even after undertaking the research to which this brief research note relates, we are no closer to having answers to these questions. If there are any conclusions, it is that such questions are well worth asking if one is prepared for the salutary experience of trying to research absence.

Background

Uganda's population of about 20 million is spread across (broadly speaking) 40 ethnic groups within which, clan and family loyalties dominate. Thus Uganda can be thought of as a multiplicity of collectivist communities of tribal societies - each of

which are closely knit and provide a mutually dependent and supportive framework for its members. Uganda's turbulent recent history is no secret. Gaining independence in 1962, the country embarked on a programme of economic development. In 1971 the military took over and it was not until 1986 that the country, with (the double-edged sword of) IMF assistance, once again set about seeking a systematic economic recovery. 1986 also saw the re-introduction of a formal recognition of tribal institutions and the consequential growth in tribal consciousness. A new Constitution was promulgated in 1996 that, *inter alia* (see below), set about devolving power to district level thus re-empowering local family and tribal power.

The country's economy is heavily dependent upon its natural resources. The principal industry is agriculture which accounts for over 45% of GDP. By contrast, manufacturing accounts for a little less than 8% of GDP. (*The Guardian* July 9, 1997). Until 1991, when the government undertook a systematic programme of privatisation, the largest corporate shareholder was the government. Of significance, this programme was explicitly designed to attract foreign investors to the newly privatised companies. Uganda does not, as yet, have a stock exchange but it does have an organised accountancy profession closely modelled on the old imperial British lines. The extant Companies Act was last revised in 1964 and does contain some small requirement for employee-related disclosure.

Is Social/Environmental Disclosure Likely?

Our first thoughts were that there was no reason to expect to find social and environmental disclosure in Uganda - after all, such activity is more associated with industrialising, industrialised and post-industrial nations. Furthermore, Uganda has no organised investment community, its companies tend to be smaller and locally or nationally orientated whilst its people express their loyalties and accountabilities through their tribal allegiances. But a counter-view can easily be stated. The seeking of economic "*development*", the involvement of the IMF, the seeking of foreign investment and, most especially, the new Constitution all suggest that formal nation-wide social and environmental accountability might be expected. The Constitution is particularly important here as it speaks explicitly of the centrality of democracy, the essential need for accountability, the crucial need to protect natural resources and the exigencies of sustainable development. (Indeed, this concern was more formally expressed in the detailed National Environmental Management Act (NEMA) of 1995). Such factors would lead one to tentatively conclude that social and environmental disclosure would be especially valuable as a means of mitigating any tendency towards unbridled economic development as well as, from a political economy perspective, suggesting that one might well expect companies to be increasingly concerned with their accountability more generally and their social and environmental accountability in particular.

Disclosure in Uganda?

The research study chose to follow the pattern of much western research and seek to describe and then analyse the social and environmental disclosures in a sample of leading Ugandan companies. Western researchers probably take their data sources for granted. Working in a country like

Uganda gives one quite a different perspective on data! First, it proved impossible to obtain any useful data (sizes, industries, addresses etc.) on the population of Uganda's larger companies. Approaches to the Registrar of Companies, the Ugandan Investment Authority and the National Chamber of Commerce did not provide enlightenment. The approach to sampling was thus entirely *ad hoc* and governed by whether or not Annual Reports could be actually obtained. Formal approaches were made to the three organisations mentioned above as well as to companies through personal contacts. Finally, in desperation, "cold" letters were sent to companies whose details were gleaned from the Yellow Pages! These letters were sent to 30 companies. 7 companies replied at all, 3 stating their regret at being unable to provide an Annual Report. Of the 4 companies providing us with Annual Reports, only 2 related to 1996 - the first date at which the NEMA and the new Constitution might be expected to have had an impact. The other reports (2 companies provided more than one-year's reports) related to pre-1996. The four companies came from the banking (2 companies), hotel and postal/ telecommunications industries.

To draw any conclusion from this data - other than the difficulty of obtaining data and, perhaps, the reluctance of some companies to provide it - would be risky in the extreme. If we could tentatively assume, however, that the companies were amongst the more forthcoming of Uganda's larger companies then the broad disclosure patterns might be of some slight interest. Briefly then, none of the four provided any data on environmental issues or on energy; all four provided data on employees; two provided brief information on customers and two gave some mention of community involvement. The employee disclosures were dominated by quantified, statutorily-required data; the

rest was brief and discursive. Of the four only the Uganda Postal and Telecommunications Corporation gave more than the odd mention spending two pages to employees and related issues.

If the sample has *any* indicative power, then we might very tentatively conclude that social and environmental disclosure in Uganda is scarce, low grade and of little importance. Of the two views we expressed above, it may be that the tribal, informal and pre-industrial factors are still dominating the influence of external involvement and the new Constitution.

Conclusions

The global research community knows little about so many countries. After our study,

little has changed in this regard but, in emphasising the dangers of western preconceptions and the acute difficulties of data collection, we hope we might forewarn future researchers. We would certainly hope to encourage them to look for ways to overcome the difficulties we encountered and, thereby, to help us all understand each others' countries better.

*Vincent Kisenyi, Uganda Martyrs University, Uganda, and
Rob Gray, CSEAR, University of Dundee*
Please note: The data and references upon which the above article was based are contained in a dissertation produced in partial fulfilment of a MAcc degree at the University of Dundee

VIEWS FROM AMERICA

The US Federal Government's Clean-up Liabilities

This year the US federal government's first attempt to file financial reports under legislative mandates and federal accounting standards has agencies struggling to put a price on their environmental cleanup bills and officials admit most liabilities are not being reported. In a report released on 30th March 1998 by the Office of Management and Budget (OMB) and the Treasury Dept., the Government Accounting Office (GAO) notes widespread problems with both record keeping and documentation. According to GAO, federal environmental clean up liabilities are inadequately reported and in some cases ignored.

The sweeping of government financial environmental clean up costs under the rug has environmental organizations outraged,

and nongovernment organizations (NGO's)

view the accounting departure as a tactic to coverup the frailties of federal permitting laws which do not have strict environmental guidelines.

NGO's have long claimed the US government is selling federally owned mineral, timber, and grazing rights to companies with little regard for environmental damage costs, and now they want agencies to expose wasteful practices in their financial reports. *"Under the current 1872 Mining Law, a company can buy federal land at just \$2.50 per acre. Often when a mine is abandoned the federal government and ultimately the taxpayer is left holding the bag for clean up of a site"*, says Kathy Carlson spokeswoman for the National Wildlife Federation. *"The Bureau of Land Management (BLM) and the Forest Service*