

ABSTRACT

Within the context of neo-liberal globalisation, and the allegation that donor-dependent countries like Rwanda are obliged to privatise national assets, this study focuses on what has been the impact of the partial privatisation of the water and electricity utility, ELECTROGAZ, on the residents of Kigali. In other words, whilst it is accepted that ELECTROGAZ was badly managed and service provision was poor, other policy options (such as building state capacity) were not considered. Nevertheless, even if utility privatisation was ‘forced’ onto Rwanda, the question remains whether its impact was positive or negative.

Findings of the thesis confirm what Collyer and others claim, namely that utility privatisation was ‘forced’ onto the government and people of Rwanda, and that this was sold to the residents as a solution to the bad performance of ELECTROGAZ. Residents believed government assurances that this was the only option, and initially welcomed privatisation. However, while some aspects of administration, such as billing and customer relations have improved, consumers still experience bribery, whilst service delivery has in fact worsened. Furthermore, tariffs for electricity have increased considerably, and water tariffs are about to be increased greatly too.

The research shows that it is debatable as to whether service delivery problems are the fault of the privatised distributor alone, or the government as the producer. Nevertheless, poor service delivery coinciding with tariff increase lends support to the view that the first priority of privatised entity is profit and not the welfare of citizens.