

INAUGURAL LECTURE



Prof. Sabiti Makara

Professor of Governance | Kabale University

Topic: Democratic Decentralization: Unpacking The Politics
And Administration Of Service Delivery In Uganda

Date: 29th September 2023

Venue: Main Hall, Faculty of Education, Kikungiri



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EVENT PROGRAMME

Time	Activity
1.30pm	Invited guests arrive in the hall (staff, students & public)
2.00pm	The Procession arrives
2.20pm	The Anthems are played
2.30pm	Opening Prayer
2.35pm	Opening remarks by the Chairperson of the Professorial Lectures Organising Committee
2.45pm	The Deputy Vice Chancellor Academic Affairs Invites the Vice Chancellor
2.50pm	Welcome remarks from the Vice Chancellor
2.55pm	Introduction of Professor Sabiti Makara by the Dean, faculty of Arts and Social Sciences
3.00pm	Prof. Sabiti Makara Delivers Inaugural Professorial Lecture
4.00pm	Pronouncement by the Vice Chancellor
4.05pm	Presentation of the Plaque and Certificate of Recognition to Professor Sabiti Makara
4.10pm	Closing Prayer
4.15pm	Official Photo Session
4.25pm	End of Ceremony and Departure



ABOUT THE AUTHOR

Prof. Sabiti Makara is a Professor in the Department of Governance at Kabale University in Uganda. Before joining Kabale University in 2023, he had served as a Professor at Makerere's Department of Political Science & Public Administration for long. Prof. Makara has done extensive research on governance issues: public sector reforms, constitutional-ism, election management, political parties, civil society, urban governance and local governance. In the course of his long academic career, he won research grants from SIDA, the Ford Foundation, UN Women (Uganda), Norwegian Research Council, UNDP, African Union Commission, Electoral Institute for Southern Africa (EISA), French Institute for Research in Africa (IFRA), International Institute for Democracy and Electoral Assistance (IDEA), UNESCO Regional Office, Nairobi, Irish Aid/University of Limerick (Republic of Ireland), Chr. Michelsen Institute (CMI) Norway, and the Democratic Governance Facility (DGF). He took research residence at University of Antwerp (Belgium), CMI Bergen, University of Bergen, Norway, Steamboat Springs, Colorado US, and Chinese Academy of Social Sciences (CASS) in Beijing.

He served a Senior Consultant for EU -funded projects in Uganda, did an assessment for USAID's Multiparty Support Project in Uganda, Mid-term assessment of DGF's support for Civil Society, Team Leader for UNDP's support to the Parliament of Uganda (establishment of its own TV and Radio); and is regularly consulted by the Ministry of Local Government and other Ministries and MDAs.

Prof. Makara graduated with a PhD in Political Studies at Wits University (South Africa), MPA from the University of Liverpool (UK) and a BA (Hons.) majoring in Political Science from Makerere University.

Prof. Makara is widely published in internationally recognized journals, and book chapters. He has edited 4 books and co-authored one. He loves teaching, and has supervised over 100 graduate students to completion. He serves as External Examiner for 8 universities.

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1. PREAMBLE

This speech is motivated by the author's experiences in life. This author grew up in the village of Nkongooro, Nyabihoko sub-county, Kajara county in the current Ntungamo district (that time, part of Bushenyi district). In the 1970s and 1980s in primary school, secondary and university, two things dominated life in both rural and urban areas; these are insecurity and scarcity. Life was not guaranteed. There were no spaces for articulation of human rights. Leaders were brutal and uncontrollable. Many well-to-do people disappeared in my sub-county at the hands of security forces. During Idi Amin's regime (1971-1979), life was short and brutal to the extent that if a soldier acting as a sub-county chief admired someone's wife, he would ensure that the husband "disappears", and he takes over his wife.

Scarcity of goods and services was rampant. As students we had to use papaya leaves to wash clothes (mainly school uniform) because soap and spare clothes were a preserve of the rich (the politically connected). Scarcity for most goods was the order of the day: sugar, salt, iron sheets, slippers, shoes, milk, and other essential commodities were hard to secure. Most goods were smuggled into the country from Rwanda, Congo (DRC) and Kenya. This system came to be known as **magendo** (illicit trade). **Magendo** involved many risks: a Ugandan would carry coffee, beans, sorghum, waragi etc. on foot from Ntungamo to Rwanda or from Busembatya (in Busoga) to Kenya to sell. Our neighbouring countries exported our coffee abroad and their countries became richer. In return, the smugglers would return with manufactured goods to Uganda, which they sold expensively. Besides, **magendo** was risky: the traders would sometimes fall into the hands of thieves, even government soldiers who would take their merchandise, sometimes kill them. Why was there this kind of crisis? In 1972, Idi Amin declared what he called "economic war". This involved sending away most Asians from Uganda, expropriated their properties: shops, industries and homes. Most of these were in turn, handed to Amin's soldiers as gifts. These became **mafuta mingi** (quick back rich men). The calamity is that they consumed whatever they found, and were unable to restock. As a consequence of economic crisis, most children of my time dropped out of school. My father insisted that if was tempted to do **magendo**, and would leave school, I should leave his home. He seemed to understand that magendo had no future.



The broad consequence of Amin's rule (and later Obote¹¹) was that both central and local governments and other organisations of society became dysfunctional. Roads and other infrastructure were in a state of disrepair. This author travelled on a pickup truck from Nyabihoko to Kampala when joining Makerere University. My first journey to Kampala took two days. Roads were full of pot-holes. Remember that when tarmac roads are potholed, they are worse than the murram roads in my village. So, my first journey to the much-talked about capital city was not amusing.

Apart from poor service delivery, at that time, there were no means of engaging government; everyone feared government, and kept quiet. Productive forces were down. Many people uprooted their coffee trees which had for long been a source of family income, gaining money to educate their children. Government-controlled prices for coffee brought poor returns. The peasants in Ntungamo were clever entrepreneurs, they turned to bananas and cattle keeping as sources of family income. My father had a large banana plantation from which he harvested mature bananas to sell for food and to make *waragi* (from which he got money that paid my tuition and other provisions).

In 1979, the Tanzanian Defence Forces (TDF) and Ugandan exiles based in Tanzania liberated Uganda from Idi Amin's regime of terror. A new government called Uganda National Liberation Front (UNLF) was formed. One of the main governance innovations of the UNLF was the formation of *mayumba kumi* (cells of 10 homes). These were instrumental in providing their own security and distribution of scarce essential commodities such as sugar, salt and soap. This governance measure brought a semblance of peace, and the people began to engage with government.

In December 1980, Uganda held the first multi-party elections since independence. The elections were controversial. Uganda Peoples Congress (UPC) won the election. However, the results were contested by Democratic Party (DP) and other stakeholders. Uganda Patriotic Movement (UPM) then led by Yoweri Museveni won only one seat in Kasese. Because elections were highly rigged in favour of UPC, many political actors in DP and UPM joined the bush in 1981 to fight the UPC government. The war ravaged the country for five years. UPC government soldiers became unruly, staging roadblocks, extorting money from bus and taxi passengers. Some raped women. In the areas of Luwero where the actual battles were fought, most homes were deserted or inhabitants were killed, and property looted. The second Obote government attempted to re-establish local councils. However, these were

mainly filled by UPC party functionaries (most of them nominated).

In 1986 the National Resistance Army (NRA) and the political wing, the National Resistance Movement (NRM) formed government. The main crust of this new government was to follow the path of UNLF, by establishing **Obukiiko** (Village Resistance Committees). This author was a member of the first village resistance council in his area of birth as Secretary to the Committee. Many local cases that had overstayed at the Parish were settled, mostly amicably by reconciling the antagonistic parties. Thereafter, the new government came up with a legislation known as the **Resistance Councils Statute** to guide the activities of RCs, later established beyond the village to other levels of the local government system. **Obukiiko**, to some extent can be viewed as the genesis of the current decentralisation programme. Established by a statute in 1993, it is now 30 years since decentralisation became a constitutional benchmark of governance in Uganda. The 1995 Constitution of Uganda in its founding principles states two fundamental premises: one is that “power belongs to the people” and the second one is that decentralisation shall be basis of governance in Uganda. A reflection on 30 years of decentralisation is a noble task for me, who has been a lecturer of governance for all that time. I have been engaged with issues of local governance as a consultant and researcher. In 1992, under the auspices of Prof. Apolo Nsibambi, at Makerere University, I completed a study, supported by SAREC (Swedish grant) titled “The Role of Resistance Councils and Committees in Promoting Democracy in Uganda”. That research coincided with the time the Constitutional Review Commission was collecting public views for making the new Constitution. The Chairperson of that Commission invited me to his office and asked why I was collecting data on issues similar to the ones they were collecting for the new Constitution. I explained that my research was not conflicting with their work. He understood and left me to go.

In 1994 I worked with ACFODE, a women’s non- governmental organisation to collect views for the Constituent Assembly. ACFODE, then headed by Prof. Joy Kwesiga, now the Vice Chancellor of Kabale University had a project known as the LINK programme. Supported by the Ford Foundation, through the LINK project, we collected views from all over the country and took them to the Constituent Assembly for consideration by the delegates. In that project, I was assigned to focus on the system of government for Uganda. In 1995, again under the leadership of Prof. Apolo Nsibambi, as the Director of Makerere Institute of Social Research (MISR) we wrote a project to the Ford

Foundation, and we secured a grant that enabled us to do research on the interface between decentralization and civil society. We published a book titled ***Decentralisation and Civil Society in Uganda: The Quest for Good Governance*** (1998) Fountain Publishers. In 2000, I published a paper on 'Decentralisation and Development in Uganda' in ***Development Dialogue***, a journal of regional dialogue supported by the United Nations. Later I did my doctoral work at the University of the Witwatersrand, Johannesburg on ***Decentralisation and Urban Governance in Uganda***. I have published several other chapters on this theme. Apart from my other research interests such as elections and electoral governance, and civil society, as a scholar I have been focused on decentralised governance. This is why I am taking this opportunity to reflect on this theme. I have been consulted by the UNDP and the Ministry of Local Government. I wrote a major consultancy study report on the ***Inconsistencies and Consistencies of Service Delivery in Local Governments*** for the Ministry of Local Government. It is published by the Ministry, and is available on the net. I was a trainer for implementation of decentralisation for the Capacity Building Project of the Ministry of Finance.

The focus of my presentation today is to raise three fundamental questions: first, what motivated the current government of Uganda to embrace decentralisation? The second question: to what extent has the government upheld decentralisation as a mode of governance over past 30 years, what has changed, if so, why? The third question: what can be done to make decentralisation deliver better results for the ordinary citizen?

2. INTRODUCTION

This essay examines the nature and context of the debate on state-society relations, focusing on the socio-economic and political reforms that have taken place in the governance of Uganda's public realm in the past three decades. It analyses the process and impact of the new governance reforms undertaken in Uganda since the early 1990s on the performance of state institutions. It reviews the implementation of the programme of state reform through decentralisation; putting in perspective the ramifications of the claim that decentralisation brings about effective, efficient, participatory and citizen-focused service delivery. Drawing from the peculiar failures of state institutions in the first decades of post-colonial Uganda, the essay critiques the theoretical and empirical premise of devolution, by attempting to link the process of institutional decay and recovery to experimentation with the "new governance models" as applied to the management of the local government units. It interrogates the claim that democratic decentralisation brings about demand-driven service delivery, promotes democratic discourse and greater organisational performance.

Anchored in the premises of *good governance* theorem, this essay questions the realities of decentralisation in engendering a new official behaviour, taming rigid bureaucratic practices, engineering a new service culture and espousing a dictum of state-society engagement. These goals raise a key question, that is, whether the quest for realisation of organisational change in the implementation of governance reforms in Uganda has been facilitated by the conscious readiness of the state to realise tangible public goods such as popular accountability, improved livelihoods of the ordinary people and increased capacity of the state to build sustainable management systems.

Furthermore, the essay discusses and questions the capacity of decentralisation to adequately address governance challenges that include high poverty levels, scarcity of employment, inadequate service delivery, low management capacities and a poor management culture. It questions the complex political processes surrounding decision making process in local governments that seem to have undermined the possibility of a new governance model to effectively take root.

This essay concludes that although decentralisation has improved relations

between government officials and the ordinary people, there are still many challenges in the management of local governments. Such challenges encountered in service delivery include the failure of state institutions to perform their functions, lack of pro-poor policies, poor motivation of local government officials and prevalence of corruption at various levels of government. The attempts by government to reform the public sector generally have yielded some positive attitudes but have also lacked commitment and resources to realise tangible benefits to the ordinary citizen. While democratic decentralisation created strong hopes of better service delivery, tangible results in several local governments have remained minimal for the ordinary citizen. This essay suggests that successful decentralisation requires dynamic pro-people policy interventions, increased avenues of popular participation, cultivation of trust, horizontal power relations and strong accountability mechanisms in the public domain.

3. CONTEXTUALISING DECENTRALIZATION

Why talk about Democratic Decentralization?

Let us begin with the objectives of decentralisation. According to a publication by the Decentralisation Secretariat (1994) *Decentralisation in Uganda: The Policy and its Implications*, the objectives of the policy are stated as: (i) to transfer real power to the districts, thus reducing workload at the centre, (ii) to bring political and administrative control over services to the point where they are actually delivered, thus improving accountability and effectiveness; (iii) to free local managers from central constraints and to allow them develop organisational structures tailored to their local circumstances; (iv) to improve financial accountability and responsibility by establishing a link between payment of taxes and provision of services; and (v) to improve the capacity of local councils to plan, finance and manage the delivery of services to their constituents. Going by these objectives, decentralisation started on a strong promise of returning power to the people. Have these objectives been realised?

There seems to be unfettered and almost euphoric belief amongst intellectuals,

policy makers and the general populations in Uganda and in many other countries, that decentralization will result in better service delivery, increased participation in policy processes, accountability, democratic practices; which will lead to good local governance. Despite this great promise some studies have pointed out that such benefits may not be that obvious and should not be over-generalised. For instance, Remy Prud'homme (1995:204) has observed: "Decentralisation measures are like some potent drugs... when proscribed for the relevant illness, at the appropriate moment and in correct dose, they can have the desired salutary effect; but in wrong circumstances they can harm rather than heal." In assessing the effects of decentralisation on Uganda's local governance, both the promises and the potential weaknesses are critically analysed. This presentation contends that decentralisation and its aims, processes, and outcomes of reconstructing state-society relations, and of rebuilding institutions of local governance has a great potential of engineering local development, democracy, and social welfare. Yet, there are daunting challenges.

Decentralisation is a global phenomenon that has increasingly gained social, economic and political significance in the last three decades or so. Much as decentralisation has been perceived as a process of reforming state structures, cutting down on bureaucratic inertia, opening up avenues for participation of civil society and other organised groups in society; and creating an efficient system of service delivery, many critical observers still argue that decentralisation is not a panacea. Nevertheless, democratic decentralisation is irresistible amongst the local communities because it gives them the opportunity to gauge their leadership, decisions to take or not to take, resources to use and bargain with higher authorities on various issues of local concern. Moreover, most citizens are interested in how the government spends taxpayers' money. Therefore, decentralisation opens up possibilities of people questioning how public resources are used or misused. These opportunities for citizen-state engagement or dialogue could be lost in countries where democratic decentralisation is completely absent (Mawhood 1993).

The perspective pursued by this essay, simply stated, is that whereas bureaucratic management dominated the social organisation of society for much of the last century, it is now up for questioning. Even then, it is still lingering in the age of decentralization. Can anything be done to tame this leviathan? Although it has for long been contended that it could hardly be



imagined that large scale complex organisations could be managed without application of bureaucratic principles and techniques, it is also conceded that bureaucracy shelters incompetent and indifferent bureaucratic individuals, shelters ineffective coordination of functions and dysfunctional roles, and it also, represents a concentration of political power that it threatens existing values or even the existing systems. Moreover, bureaucracies may be potential strongholds of conservatism, partly because the policy makers of such organisations represent vested interests which they are reluctant to change. It may be contended that reform movements in almost every local government are invariably opposed by bureaucrats who ironically claim to work in the public interest. In centralized bureaucracies, all this is done in the guise of “protecting” the organization and its management system.

Worldwide, the shift in organizational management to the new governance model is laying emphasis on three critical areas. First of these is the issue of **globalisation** that has created the so-called “global village,” where socio-economic activities are said to be interconnected. Second is the issue of **neo-liberal reforms** championed by international financial institutions led by the World Bank, that have fundamentally altered the ways in which organizations in donor-recipient countries should operate, with emphasis being placed on prudent fiscal management, accompanied by accountability, formal public participation and transparency. These tenets of “good governance” have generally been accepted in most countries as opening a space for “dialogue” between public officials and the other members of society. The third aspect is **democratic governance**. This has arisen because the end of the last century witnessed a wave of democratization in almost every corner of the world, specifically so, in the Third World. The wave of democratization significantly altered the method central authorities used to control power. Thus, they opted for decentralization of power.

4. UGANDA'S LOCAL GOVERNANCE CONTEXT IN HISTORICAL PERSPECTIVE

At the time of gaining political independence from the British colonial masters in 1962, Uganda inherited a fairly decentralised governmental structure. District as well as urban local governments had been granted powers over their local matters since 1952. The promise of democratic governance both at local and national levels was evident in the immediate post-colonial period. The first independence government of Uganda was elected on the basis of multi-party competition. Similarly, local governments comprised largely elected councils. In socio-economic terms the country had great promise. The economy was fairly sound while social infrastructure was reasonably developed, compared to many other colonial states in Sub-Saharan Africa¹. Unfortunately, this promise of prosperity was not to be realized. The post-colonial state in Uganda became not only authoritarian, it also, experienced episodes of anarchy, dictatorship, a collapsed economy and a failed state. These failures affected the performance of both the central state functions as well as the local governments. The cumulative effect was the alienation of the citizenry from the government.

Local governments in the post-colonial period in Uganda worked fairly well between 1962 and 1966. The year 1966 was a turning point in Uganda's political history. The long-standing conflict between the King of Buganda (in the central region) and the central government under Prime Minister Milton Obote, culminated into a violent military attack on Lubiri, the seat of Sir Edward Mutesa, the King of Buganda, who doubled as the ceremonial head of State of Uganda. His forceful removal from power marked the beginning of political troubles in Uganda. The new Constitution that was hastily drafted effectively outlawed the existence of traditional rulers. In 1967, the introduction of a republican Constitution and a new Local Administration Act, led to centralisation of powers hitherto enjoyed by local authorities. All officials of local governments were to be appointed by the government. Local governments had to increasingly depend on the government for financing as it took control of most of the sources of revenue. Local governments' budgets had to be approved by the Minister of Local Government, as indeed,

1 IBRD, (1962), *The Economic Development of Uganda*. Baltimore: John Hopkins University Press.

was the case with most decisions including bye-laws made by local councils. Increasingly also, local councils were dominated by nominated councillors rather than the elected ones. Since there were no general elections between 1962 and 1980, there were also, no local elections.²

The situation was made worse by Idi Amin's military coup in 1971 in which Milton Obote, who had declared himself President since 1967 was overthrown. Between 1971 and 1979 when Idi Amin ruled, martial law replaced constitutional law. Civil and human rights were abused with impunity. Many Ugandans who worked for central as well local governments "disappeared" or were killed in the broad daylight on the orders of the military officers. Civil society went underground, as telling truth to the government was considered a crime.

Moreover, civil means of engaging with government were limited as the Parliament and Local Councils were abolished under Legal Notice No.1, of 1971. During Idi Amin's time in power, elected local governments were abolished throughout the country. Military men or militia were posted to man local administration posts. From the parish to the district, most of the administrators had some military training. They ruled by decree.

Amin's tyrannical rule was ended by a combined force of Tanzanian Peoples Defence Forces (TPDF) and Ugandan exiles (Uganda National Liberation Front (UNLF) who chased him out of power in May 1979. The post-Amin period however, was a short-lived celebration. The new UNLF government was characterized by instability, political greed, and faltering legitimacy; that it failed to govern effectively. In 1980, a multi-party general election was held. This too, was unable to resolve the all-important question of installing a legitimate government as the electoral process was contested as fraudulent by the opposition parties. Consequently, the government formed by the Uganda Peoples Congress (UPC), the party that claimed victory in the election was to face resistance from rebel forces of the National Resistance Army (NRA), 1981 – 1986. Thus, while the UPC attempted to return some semblance of civil rule in contrast to Amin's brutal military dictatorship, the rebel insurgency in the central region of Buganda, made it impossible for the government to exert effective control over all parts of the country. During

2 Nsibambi Apolo (1998) Decentralisation and Civil Society. The were no or even local elections between 1962 and 1980.

the reign of UPC under Obote II, most local government councillors were nominated. Most of these councillors happened to be the functionaries of the ruling party. In other words, democratic local governance could hardly be realized through these councils.

In January 1986, the NRA, the rebel army led by Yoweri Museveni captured Kampala, the seat of political power in Uganda. The rebels formed a broad-based government with the National Resistance Movement (NRM) as the lead partner amongst the cooperating parties. The NRM's vision for a country, long shattered by conflicts, economic malaise, social disorder, and political instability was contained in the *Ten-Point Programme of NRM*. Point No. 1 in this document was **restoration of democracy**. One of the key indicators of the NRM's intentions to light the candle for democracy was to re-introduce local councils through the formation of Resistance Councils (RCs) at village, parish, sub-county, county and the district. These councils were popularly elected. In launching the decentralisation process in 1992, the RCs were remarkably useful as a starting point in re-building institutions of local governance.

The purpose of this brief background to Uganda's socio-economic and political crisis is to highlight the case of state failure in post-colonial Uganda, and the attempts to rebuild effective governance local institutions through decentralisation. Uganda's decentralisation is a case of a country where on the one hand, crisis had diminished prospects for institutional growth, and on the other hand, a deliberate policy framework has progressively assisted a process of re-building such institutions. But also, it is also a case of cumulative legacy in institutional decline whose impact overbears on such reform efforts – for example, the persistence of patron-client politics, inefficient allocation and utilization of public resources, superficial participation, overextended central state control and a weak civil society. Such factors have all, but combined to weaken the case for decentralisation and its promise of the anticipated strong state-civil society relations in decision making, and effective and efficient delivery of public services.

The efficacy of decentralisation on Uganda's local government administrative systems was based on several claims: that it had succeeded in service delivery and bringing popular participation in rural areas³. Although I am not

3 Nsibambi, A. (1998), *Decentralization and Civil Society in Uganda*, Kampala: Fountain Publishers.

motivated in the direction of a comparison of the rural and the urban, my primary intention is to establish the possibility of successful linkage in both the urban and rural development processes. Given the challenging social and economic constraints that ordinary people face in their daily lives, their social networks, and interactions with their local political system, I am interested in establishing what decentralisation could have done or not done to impact on the social life of an ordinary people.

In retrospect, the years of economic collapse and political strife that Uganda experienced in the 1970s and early 1980s negatively affected the management, resource base and service delivery capabilities of most local governments. As a consequence, this historical socio-economic and political collapse of the country left most of the infrastructure in a sorry state: roads were in a state of disrepair, streets were dark, garbage littered the streets, law and order were not enforceable, the economy had plunged and social service sectors were in a state of flux. This kind of situation prevailed under conditions of state-inspired-violence (especially under Idi Amin's rule): when political organisations were banned, local authorities were not elected and local authorities' managers (who were centrally appointed), were out-rightly corrupt and incompetent. A combination of professional ineptitude and severe fiscal crises impacted negatively on the lives of most citizens. Due to people's loss of confidence in the local government management systems - largely due to corruption and failure to deliver any meaningful services, ordinary Ugandans adopted two strategies: either to by-pass the formal channels or to provide their own services where the local authorities should have acted.

When the National Resistance Movement (NRM) came to power in 1986, the central government attempted to revitalise local authorities. The strategy of centrally determined supply was seen to be unsatisfactory partly because the state officials had for many years, got involved in a negative culture of corruption, neglect of work, and mismanagement coupled with lack of professional skills and poor work ethic.

In 1992 when the Uganda government decided to implement a decentralisation strategy, it devolved most of the management functions to elected local councils, which were granted legal powers to determine their own priorities, collect their own revenues, draw strategic plans, spend according to the budget and evaluate their own performance. The philosophy underlying decentralisation in Uganda is that the elected representatives will act as "watchdogs", that is, perform oversight functions over the local managers,

be trustees of the people in the provision of public goods and services, and ensure that timely, efficient and quality services are rendered to their constituents; to whom they are accountable. This philosophy is laden with contradictions. Since representatives are elected on their promises of improving the social conditions of their localities, the citizens expect them to deliver quality services, yet the realities of fiscal constraints faced by the local authorities do not permit adequate fulfilment of such promises. The gap between expectations and actual deliverables frustrates the citizens. While the decentralisation philosophy conceives local representatives as trustees of public interest, the irony is that they are also negatively perceived by the people as self interested politicians, suspected to collude with local managers to perpetuate corruption and diversion of resources meant for service delivery.

The Uganda government has put in place several measures to ensure accountable, effective, efficient and quality delivery of public services. Such measures include: an autonomous contracts committee for each district or municipality, an accounts committee for each local government, and institutional scrutiny by the central government's the Inspector General of Government (IGG), the Office of the Auditor General (AG), as well as elaborate procedures to be followed in all local governments' transactions (The Financial and Accounting Regulations, 1998). The question that remains is whether these measures have engendered good governance practices at the local level.

5. GENESIS AND PROCESS OF DECENTRALISATION IN UGANDA

Uganda's decentralisation programme began from the "populist" stance of the NRM in 1986. This stance tended to assume that the Local Government system and the ideology of the ruling political organisation were like two sides of the same coin⁴. The Commission of Inquiry into the Affairs of Local Government in 1987 confirmed this position:

To define Resistance Councils and Committees as organs of the state; and therefore, institutions of Local Authorities is to deny them of their very rationale. For the first function of RCs is that of a "watchdog": it is to resist any tendencies on the part of the state officials towards abuse of authority or denial of the rights of the people. Neither can RCs be defined as organs of the movement, for to do so would be to restrict their membership to only those who uphold the programme of the NRM⁴.

In spite of this observation by the Commission of Inquiry, the RC structures through which the Local Government system operated were at the same time structures of the NRM.

In 1992 the World Bank concluded a study, *Uganda: District Management Study*. This study highlighted the need for reforming the Local Government system in Uganda on the following premises: first, the country had embraced the Structural Adjustment Programme (SAP) as a *modus operandi* for macro-economic management of the national economy. SAP assumed that (i) Uganda's public sector was overextended, (ii) the government needed to cut its public expenditures, (iii) the government needed to create an enabling environment for the market, and suggested that Uganda's decentralisation programme should aim at supporting macro-economic reform. Furthermore, the World Bank report placed emphasis on the key elements of the

4 The widespread formation of Resistance Councils (RCs) was initially to create a system to solicit support for NRM after taking over power in 1986, see Sabiti Makara (1992) *The Role of Resistance Councils in Promoting Democracy in Uganda*. Republic of Uganda (1987) *Report of the Commission of Inquiry into the Local Government System* p.22 Resistance councils (RCs) were the first version of local government introduced under the NRM.

decentralisation programme to include: (i) increased management efficiency, (ii) increasing popular participation at the local level, and (iii) improving financial performance through increased revenue generation and rational expenditure decisions.

The World Bank team found that most local authorities were neither strong nor viable. It noted that most local authorities spent “more resources in maintaining their existence as organisations than they did on delivering programs and services to their constituents.”⁵ The report asserted that the envisioned decentralisation programme would be successful if it involved an institutional framework that sought among other things to (i) increase the ‘ownership’ of the process of decentralisation, (ii) understanding what it means and what it can do for the individual citizen, (iii) ensure it was sustainable, (iv) create autonomy, influence and control at the local level, and (v) have the capacity to survive its creators. In other words, local governments under the programme of decentralisation were expected to evolve, build and sustain strong and viable organisations capable of delivering services, based on democratic processes and effective and efficient management systems. The findings of the above study signify that a combination of the NRM government’s convictions and donors’ advice made the foundation for the policy of decentralisation that was launched in Uganda in October 1992.

It is important to note that the initial focus of the policy of decentralisation was the rural district. Thus, little attention was placed at the role of the urban authorities. In Uganda, there has been a tendency, historically to ‘marginalise’ urban authorities in public policy. During the colonial period, there was insignificant urbanization. The immediate post-colonial governments retained the urban areas as gazetted areas of control by the government. In the realm of policy making in Uganda, the urban areas are stereotyped as settlements of the privileged elite. For example, the Commission of Inquiry into the Affairs of Local Government held that the separate management of urban and rural districts constituted “official and unofficial “apartheid.” This attitude led the commissioners to recommend to government a unified management system for urban and rural districts. In fact, the Commission’s recommendations for implementation to government were haphazard. Later the World Bank team on district management study findings contradict those of the Commission and assert that some of the municipalities earn much more revenue than the surrounding rural districts. The World Bank report saw the issue of merging

5 The World Bank 1992, Uganda District Management Study.



urban authorities with rural ones as “potentially explosive... since some of the districts fortunate enough to contain one of the main (rich) urban centers would be able to divert a significant part of their revenue to rural services if the money went directly to the (district) Treasury.”⁶ The report recommended that urban and rural districts be separate entities. The above arguments for and against autonomous existence of urban authority serve to demonstrate the precarious position the urban authorities found themselves in before decentralisation and the challenges they still face thereafter.

6 World Bank (1992) District Management Report, p.56. The Local Administration Act 1967 centralised most of the powers hitherto enjoyed by the local authorities into the hands of the Minister responsible for Local Administration.

6. THEORETICAL PERSPECTIVES

An understanding of decentralisation policy and its effects on the management of service delivery in Uganda is conceptualised within the framework of the broader policy of state reconstruction and the reforms of the entire public service in Uganda. The renewed efforts by the government to rebuild institutions of the state in Uganda since 1986 is a response to the negative centralizing tendencies of the 1960s and the socio-economic and political crises of the 1970s and 1980s. The centralisation tendencies culminated into the promulgation of the Local Administration Act 1967 and the crises that followed Amin's coup in 1971. Thus, the pre - 1986 period was characterised by a weak state and economic mismanagement that ruined the country. One of the fundamental policy initiatives in the post-1986 period has been the deliberate effort to rebuild institutions of local governance. Part of this reform has taken the form of decentralisation.

Technically, decentralisation is a relative term. According to Rondinelli⁷ decentralisation is defined as the transfer of responsibility for planning, management and resource raising and allocation from the central government and its agencies to (a) field units of central government, (b) subordinate units of levels of government, (c) semi-autonomous public authorities and, (d) area-wide non-governmental private or voluntary organisations. Rondinelli argues that due to the complexity and scope of decentralisation, it is necessary to distinguish among the major types of decentralisation, these include: deconcentration (transferring administrative authority while retaining control at the centre), delegation (transferring certain managerial responsibilities for specifically defined functions to organisations that are outside the regular bureaucratic structure), devolution (creation or strengthening of sub-national units of government with legal, administrative, political and financial powers to enable them to act autonomously from the centre) and privatisation (a situation where government divests itself from the responsibility for certain functions and transfers them to the private sector). As Rondinelli points out, these forms of decentralisation have been attempted in many developing countries, either simultaneously or separately at different times. In Uganda,

7 Rondinelli et al, (1983: 9) Decentralisation in Developing Countries, World Bank Staff Working Paper No. 581

the design of decentralisation evolved towards devolution. The statute of 1993 and the Local Government Act 1997 put in place a new system of local government, which has elements of both types of decentralisation.⁸

The objective of Uganda's decentralisation policy combines both political and administrative criteria suggested by Mawhood.⁹ Mawhood argues that since the basic principle of decentralisation lies in centre - local relations, if a government decentralises political decision-making, including financial and administrative jurisdictions, then that is proper decentralisation.

In Uganda, the decentralisation programme was designed to build a more democratic government that is responsive and accountable to the public, to promote capacity building at the local level; and to introduce local choice into the delivery of civil services, fostering a sense of local ownership. The administrative changes resulting from decentralisation aim to bring decision making closer to the population and to permit better communication between local leaders and the population to which they are responsible. This creates a situation conducive to local decision making founded on local options and circumstances.

From this perspective, decentralisation is conceived in terms of better service to the people. It is also assumed that once decentralisation is undertaken by government, the local people will "own" the government programmes, they will be more willing to participate and possibly contribute to the design and implementation of the programmes and even be more willing to pay taxes. However, we are cautioned that this may not always be the case. It is observed that public investment alone though desirable is not a sufficient condition for the success of decentralisation. There are behavioural and sustainability problems that are likely to be encountered. Moreover, decentralisation comes with new practices in a local environment that lacks adequate structures, facilities and human skills. Other studies on Uganda's decentralisation have claimed that because decentralisation has been a top-down approach, though not authoritarian, participation is largely seen as a government obligation rather than a people-driven process.¹⁰ It is thus, pertinent to argue that depending on the purpose of participation, decentralisation may undermine rather than promote empowerment of the citizenry.

Decentralisation in Uganda has also been equated to democratic governance. For example, it has been argued that since decentralisation "... implies devolution of powers and grassroots participation, local democracy is being

greatly strengthened.⁸ Although decentralisation has entailed transfer of financial, some legislative and administrative responsibilities to the local authorities, real power still rests at the centre. The framework within which decentralisation was designed and operates in Uganda is tied to the political wishes of the NRM government. While some studies have argued that political participation should not be seen in the context of elections, on the contrary, the interests of the NRM regime in embarking on decentralisation are revealed in the electoral process especially, at the local level.

The ultimate goal of decentralisation in Uganda is perceived to be “good governance.” It has been argued that “although decentralisation is not the same thing as good governance, the quest for good governance necessarily entails democratic decentralisation.

Good governance is the exercise of politico-administrative and managerial/authority and order which is legitimate, accountable, transparent, democratic, efficient and equitable in resource allocation and utilisation, and responsive to the critical needs of promoting human welfare and positive transformation of society (Nsibambi 1988:60).

This definition of good governance tells us little about public officials who may abuse office or prove to be incompetent. The adoption of the working definition may however, serve as a benchmark for understanding the intentions of the government. Even then, that definition is state-centric. It does not include the role of civil society. This study is centred on the interface between the state and the public realm. It is conceived within a generic perspective of governance whose locus is in public administration. Rhodes identifies seven arenas of governance of which two are directly relevant and applicable to public administration (specifically, the role of the state in delivery of public services) - these are: “new public management” and “good governance.” The New Public Management perspective refers to the introduction of private sector management methods to the public sector through performance measures, managing by results, value-for-money, and

8 Villadsen S. “Decentralisation of Governance” in Villadsen S. and Lubanga F. Democratic Decentralisation in Uganda. p.60. Nsibambi Apolo, “Introduction” in Nsibambi Apolo (ed) 1998, Decentralisation and Civil Society in Uganda p.2. Definition reproduced from Nsibambi A, “Introduction” *ibid* p.5.

closeness to the customer. New Public Management involves marketisation in the public sector - introducing incentive structures into public service provision through contracting-out, lease-markets and consumer choice.

Good governance has been a public sector management trend championed by the World Bank. From the World Bank's perspective, there are three strands of good governance: systemic, political and administrative. The systemic use of governance is broader than government, covering the distribution of both internal and external political and economic power. The political use of governance refers to a state enjoying both legitimacy and authority derived from a democratic mandate. The administrative use of governance refers to efficiency, openness, accountability and audited public service. This essay is a deliberate attempt to test whether or not these tenets of governance have been utilised by state actors in the process of decentralisation in Uganda. It also proceeds on a critical note that the World Bank's design of governance tends to be technocratic, and concerned with stability.

Rhodes 2000 identifies seven strands of governance that are relevant to public administration. These include: corporate governance, new public management, good governance, international interdependence, socio-cybernetic systems, new political economy, and networks. A combination of "new public management" and "good governance" typologies of governance appear to be the dominant strands that are applicable to donor-driven third world countries. For example, the "package" of public service reforms in Uganda, including decentralisation, were designed in this World Bank framework.

Hyden suggests that the most important empirical dimensions of governance derive from the conditions and the means available for the governed to hold the governors accountable for their decisions and actions i.e. citizens' influence and oversight⁹. These include: the degree of political participation, the means of preference aggregation and methods of public accountability. If these elements are embedded in the public policy process on one hand, on the other, responsive and responsible leadership will entail attitudes of political leaders as public trustees. According to Hyden, this covers their orientation towards the sanctity of the civic public realm: readiness of the public officials to share information with citizens, adherence to the rule of law and openness

9 Hyden, G. (1992), "Governance and the Study of Politics" in Goran Hyden, and Bratton M. (eds). Governance and Politics in Africa, p 15

of public policy making. There is also social reciprocity which refers to the extent to which citizens or groups of citizens treat each other and how far voluntary organisations are capable of tolerating each other and transcending boundaries of primary social organisation such as kinship, ethnicity or race. The interaction between citizen-influence, oversight, responsive and responsible leadership and social reciprocities is what constitutes the civic public realm of governance.

In the Ugandan situation, these variables have been applied to public sector reforms, including decentralisation since the early 1990s - largely initiated by the donors. However, there are few studies that have tested how such reforms have operated, their success and failure. Specifically, there are very few studies that have attempted to test how the “good governance” tenets have applied to the urban sector (since the introduction of decentralisation policy in 1992) in Uganda.

The “Good Governance” Idea of Governance

Governance is technocratic, state-centric, market-oriented and civil society-driven. It is the delineation of what it does in particular circumstances that defines its character and function in society. The term governance is still mainly confined to the technocratic and state discourses, and it is arguably, yet to enter the vocabulary of popular politics. For example, Hirst argues that the technocratic usage of governance at times, poses a threat to the conventional forms of government.¹⁰ The market and private interests appear to be the main concern of the technocratic mode of governance. It is recognised that the markets need state regulation but are reluctant to accept the extension of state power. Both the private/market interests and civil society distrust the state. Hirst observes that most of the contending interests agree that governance is good provided the state limits the scope of its actions to what it

10 Hirst, P. (2000) “Democracy and Governance”. In Pierre, J. (ed). *Debating Governance: Authority Steering and Democracy*. Oxford: Oxford University Press. 76
Ibid, Hirst, (2000, p 14) 77

Painter et al (1997), “Local Authorities and Non Elected Agencies: Strategic Responses and Organisational Networks” *Public Administration*. Vol. 75 No. 2.

has capacity to do and accomplish. He concludes by arguing that the nation-state cannot be wished away for the following reasons: (i) it is a legitimate source of authority in society, (ii) it has institutionalised means managing conflicts, (iii) it has the legitimate means of regulating power struggles and above all, democracy matters because it provides the mechanisms for consulting and respecting interests involved in the decision making process.

Local governance in the context of the interface between the state and markets, has been reluctantly accepted by the central authorities in this era of decentralisation not least because it promotes “agencification” of power centres, that is taking away power from the centre and allocating it to sub national power centres as well as non-state actors. These include: formal public bodies (e.g., health boards, school boards), charitable organizations and registered private companies. What these agencies have in common is their involvement in delivery of public services, pursuit of public policy goals and spending public money. Critics of “agencification” view the role of these agencies as unelected state. Thus, although these agencies are not elected, they act on behalf of both the central and local governments, wield a lot influence and spend colossal sums of public monies, yet they are not directly accountable to the tax payers and voters. Painter et al (ibid) argue that while the positioning of these agencies is claimed to be technical efficiency, this may be at the expense of allocative efficiency. They act business-like, yet government does not operate on business principles and does not aim to achieve typical business goals. Government acts on the basis of common good. This raises a major point of contention in new governance.

The above approach to public service delivery has involved contracting out and indirect state provision-where the state is kept in the background. This is viewed critically as taking away the ability of the government to govern.¹¹ This perspective is shared by Hirst who posits that governance implies a strong state – a well- defined institutional framework for regulating society, coordinating partners, defending national sovereignty and providing direct services not provided by the non- state agencies. Thus, despite the perceived advantages of new public management, that is: economy, efficiency and effectiveness, there is concern that this type of governance “hollows” the state.¹¹ For example, privatisation limits the scope of public

11 Sorensen, in Sorensen and Lubanga, (1997), Democratic Decentralisation in Uganda. Kampala: Fountain Publishers.

intervention. This may lead to citizen frustration. This arises from the lack of direction of investment by the state. Moreover, some non-state agencies monopolise provision of certain services which leaves the ordinary citizens without alternative services. There is also loss of accountability. First, the tax payers pay levies to non-elected agencies, which do not take responsibility. Secondly, the citizens face a double jeopardy- they lose the legitimate claim to be served by the state both as voters and tax payers. Hence at the time of paying taxes or voting, the citizen loses the firm ground for holding the government accountable.

It is suggested that the weakness of new public management may be overcome by adopting public governance. Unlike public management, public governance is broader and encompasses both internal and external relations between the different levels of government and other actors. Public governance therefore, involves policy networks, private companies, and civil society groups. The policy-oriented goals of such groups are shared and coordinated in manner that could lead to improvement in public governance.

Amongst the key writers on governance, Jon Pierre's 2000 contribution to the understanding of governance is coherent, systematic and easy to follow. First, Pierre posits that governance is a strategy to define the role of the state in society. Second, it is a process of restructuring and transforming the state. Thirdly, it presents a situation where formal authority meets informal sources of authority. In all the three aspects, Pierre does not suggest that the state should shrink. Instead Pierre proposes a perspective that delineates "old" versus "new" governance. **Old governance** raises questions about the process and outcomes of the policy formulations through "political brokerage." This approach is labelled as "state centric". The state-centric approach assumes that the state has the political and institutional capacity to steer society and to deliver services. **New governance** denotes a situation where instead of **steering**, the state simply becomes one of the policy actors, coordinated in a manner that produces particular actions. The state however is generally perceived as a necessary partner in the whole scheme. Thus, while old governance is associated with the situation where the state takes the leading role in the coordination and steering of other societal actors, new governance tends to be associated with what has come to be termed as **self-governance**, a situation where multiple actors, independently, jointly, or in agreement over certain courses of action, pursue particular goals in society. They may do so in concert with the state or at times, without it. Self-governance simply means

that some roles that were previously performed by the state are taken over by other actors. In most decentralised counties, this type of governance is now on the rise. In this case, civil society has become a key player.

Conceptually, new governance has come to imply first, that there is some distinction between production and delivery of services. In decentralised systems, service delivery remains the responsibility of the state at the level of planning; core financing, supervision while service production may be done by other actors on their initiative or in partnership with the state. In the latter case, the role of the state is limited to supervision, coordination, and giving policy direction. However, there have been some problems with this arrangement. These include lack of interest on the part of state officials to supervise and guide the actors, absence of coherent goals and policies, and in the same cases state officials wanting to obstruct the efforts of other actors. Corrupt behaviour is often observed in this process. As Hirst¹² puts it, civil society and NGOs have come to distrust the state because they see it as captured by private commercial interests, corrupt politicians and unaccountable bureaucrats. Nonetheless, it is generally admitted that market forces and private interests require regulation and restraint because they too, may pursue goals that may undermine the legitimate sources of power in society. Private actors do accept that for them to be effective there is a need for a political framework, sufficiently conducive for their activities—a stable regime, rule of law, an efficient administration, and systems of accountability as well as stable micro-economic policies and an active civil society.

While the practice under the above arrangement is to devolve service production to self-regulating agencies in order to reduce bureaucratic hierarchies, the reality is that citizens look to the state as the “provider” of services. This arises from the long-held traditional role of the state of “tax and spend”. Government bureaucrats have been accustomed to this arrangement. The citizens on their part are generally accustomed to “confronting” government to demand their rightful services. The complexity comes with multiple providers under the new governance. It raises the question of where the citizens should point their finger for accountability. At the same time, the self-regulating groups do not necessarily assume they have the obligation account to the tax payers. In many cases, they create new vertical hierarchies whereby they tend to account to their sponsors rather than the beneficiaries

12 Opcit, Hirst.

of their services. These associations in some instances, may even prove to be less accountable than the government agencies. They sometimes behave as if they were “private” governments whose pre-occupation is to put “efficiency” before answer-ability.

New governance, nevertheless, provides opportunities for public choice or what Hirschman termed “voice” and “exit” options.¹³ The traditional statist model creates high levels of expectations within society, especially in the third world, that the state has the capacity to provide almost everything. This has proved to be untenable due to fiscal crisis, poor service delivery, inefficient management and the growing influence of globalisation. The new governance mode provides avenues for “voices” – the act of complaining or organising to complain or protesting with the intent of achieving a certain desired quality or quantity of service. On the other hand, “exit” implies that the client of a particular organization generally opts to leave for another organization that provides a better service or benefit. It is argued that the more clients exit, the more an organization becomes conscious of its deterioration and wakes up to repair itself.

Hirschman’s “voice – exit” model suffers fundamental flaws. First, it assumes a high level of civic consciousness and organisation within society. Secondly, it assumes that there is adequate competition amongst the organizations wishing to retain clients. In situations of inadequate supply at the organizational level, the kind that are experienced in third world countries, the voice – exit model experiences problems. In a situation where most people are illiterate, unemployed, under-provided, and suffer from debilitating forms of poverty; both voice and exit may exist only in theory, the practice is that they are generally pre-occupied with eking out a living or ‘survival’, hence, the quality of service is compromised. This partly explains why there is little engagement between the ordinary citizens and local government service providers. The service consumers seem to be only theoretically part of the “partnership.” In cases where only one service provider is selected for a particular area, the citizens have no option, but to accept the service or to lose altogether. In such a case, the option of “exit” is closed.

In terms of urban governance, it is observed that there has been a shift from

13 Hirschman Albert). (1980) “ Exit, Voice and Loyalty: Milbank Memorial Fund Quarterly, Health & Society Vol.38 N01 (1980)

the spatial and structural aspects of governing cities. The shift has involved a move from hierarchies of government to political negotiations between various stakeholders, for example, between the rulers and the ruled. This has implied a shift from “government” to ‘governance’ – the latter denoting mechanisms, processes, and institutions through which citizens and groups articulate their interests.¹⁴ While the term **local government** is associated with a formal description of powers and responsibilities of urban authorities, **local governance** means greater diversity in organisation of services, flexibility, variety of actors, even transformation of forms of local democracy. These governance forms may imply new forms of citizenship. Local governance is also perceived to mean a place of local dialogue. **Good Governance** carries with it a premise of institutional design that is open and accountable to civil society in general, and effective in terms of financial management and policy implementation.

Good governance also involves an effective balance between the raising of revenue and proper expenditure of that revenue on services and investments that are based on accountable decisions (Montgomery et al, ibid). Good governance occupies a space between **governability and governance**.¹⁵ Governability is defined as the capacity to make decisions and implementing rules. Governability tends to be formalistic and rule-bound. On the other hand, governance as already discussed, denotes leadership, cooperative efforts and achieving common goals. As Mc Carney puts it, local governance in the context of third world cities, involves the dynamics of local institutional challenges, local political forces and day-to-day fiscal constraints. McCarney argues that although governance may be seen as in terms of global hegemony (globalisation), its practical relevance lies with the local realities. The focus of governance in this regard is on the efficient use of resources, cutting fiscal deficits, effective development management, and enhancing markets. The local and external elements of governance have been at the centre of the debate. Mc Carney counsels that instead of rejecting governance as an “external” notion of neo-liberalism, it should be weighed against all its merits

14 Montgomery et al (2003), Cities Transformed: Demographic Change and its Implications in the Developing World.

15 15Leftwich, A. (1994), “Governance, the State and the Politics of Development”. Development and Change. Vol. 25. See also Guy, B. Peters, (1998), “Governance Without Government? ,Rethinking Public Administration” in Journal of Public Administration Research and Theory. Vol. 8 No. 2.

such as involvement of citizens in municipal budgeting, inclusion of groups in exercise of authority and public discussion of public projects.

A working model that resonates with the framework of our study is proposed by Shah and Shah in what they term as ***citizen-centred governance*** principles that include: ***responsive governance*** – the idea that governments should do the right thing that is deliver services consistent with citizens’ preferences.⁸⁸ ***Responsible governance***, that is, government should it right – in a prudent fiscal process, and ***accountable governance*** that is, that local institute. Governments should be accountable for their actions to the citizens – with integrity and in public interest.

Connecting Good Governance with Decentralisation

Classical analyses of governance have directly connected local governance with decentralisation or what is generally termed as the decentralisation theorem. Oates¹⁶ in his theorem argues that local governments understand the concerns of local residents. Maddick asserts that local councils are of great value because they understand the needs and aspirations of local people, the potentialities of local actions and their limitations. While Maddick notes that councillors may present a scenario of “the blind leading the blind” due to their limited experiences, local discussions are quite responsive to local needs. This encourages fiscal responsibility, efficiency, inter-jurisdictional competition and innovation. According to these propositions, such an ideal decentralized system ensures a level and combination of public services consistent with voters’ preferences while providing incentives for efficient provisions of services. This however is the ideal. Evidence exists that suggests that decentralisation as a form of local autonomy easily falls prey to the “elite capture” problem of the central and local bureaucracies, that is to say, decentralisation may fail to tame corruption, misuse of public office and could undermine local democracy.

16 Oates, W. E. (1972). Fiscal Federalism. New York: Harcourt Brace Jovanovich. Maddick, H. (1963), Democracy, Decentralisation and Development.

The Key Question for this Discussion

There seems to be unfettered and an almost euphoric belief amongst intellectuals, policy makers and the general populations in Uganda and in many other countries, that decentralisation will result in better service delivery, increased participation in policy processes, accountability, democratic practices; which will lead to good local governance. Despite this great promise some studies have pointed out that such benefits may not be that obvious and should not be over-generalised.

Post – Colonial Local Government and its Centralising Tendencies

Much of what has been written on local governance in the post-colonial era in Uganda has tended to emphasize the ethnic and anthropological issues that have undermined the efficacy of local government at the grass-roots level.¹⁷ A critical overview of the developments in the system of local government in the post-colonial era in Uganda seems to suggest that while the colonial administration maintained a strong hand in its administrative style, the post-colonial governments tightened their grip further by use of administrative instruments that were inimical to the growth of democracy and participatory decision making. Part of the explanation as to why the post-colonial government did little to promote grass roots democratic governance could be attributed to the failure of the post-colonial leaders either to effectively sustain the colonial structure or to imaginatively innovate governance modes capable of absorbing the new expectations of the Ugandan people after independence. Thus, whereas the British colonial administrators as representatives of an imperial power felt little obligation to govern democratically, the post-colonial leaders had made commitments during their anti-colonial campaigns to rule more democratically than their colonial predecessors had. Ironically, for the most part of Uganda's post-colonial period, this promise has been a pipe dream.

Whereas in the last years of colonial administration, deliberate step-by-step policy initiatives were made by the colonial government to increase

¹⁷ Burke, F. (1964). *Local Government and Politics in Uganda*. Colin Leys (1967). *Politicians and Policies in Acholi-Uganda*. Nairobi: EAPH,

participation of Africans in the local government administrative process, this was gradually reversed and halted by the post-colonial governments. This is to be seen in the Urban Authorities Act 1964 and the Local Administrations Act, 1967.¹⁸ It is useful to begin with a synthesis of the Local Administration Act, 1967 because it represents a broader framework of the administrative style adopted by the post-colonial government.

The background to the local government system adopted in the first decade of independence suggests that the constitutional arrangements under which Uganda attained independence from the British were tenacious and perpetuated the duality under which the colonial rulers had administered the country.¹⁹ At the same time, the new post-colonial leaders were anxious to strengthen their hold on the structures of power which to them, appeared fluid, hence their desire to centralize power at the centre.

Under the Local Administration Act 1967 almost all, the powers were centralized in the Minister in charge of local administrations. The Minister's powers extended from regulation of local council activities, financial management, tender boards and contracts, down to minute issues in a remote village. A discussion of some of these aspects demonstrates the extent of centralisation²⁰. Under the Local Administration Act, Local Councils lost their autonomy in matters of decision making, for example, a meeting of a district council could not be convened without approval of the Minister.²¹ Not only had the Minister to receive a copy of the minutes of every council meeting²²

18 The Local Administrations Act was to provide for administration of District Councils. It is important to note the change from "local government" to "local administration".

19 Under the Constitution of 1962, two system of local government were adopted: full federal arrangement between Uganda Government and Buganda Kingdom, semi-federal arrangement for other Kingdom areas (Ankole, Bunyoro and Toro) and district administration for the rest of the country.

20 The centralizing tendencies under the Local Administrations Act 1967 were probably for greater than that attempted by the colonial administration because the colonial administration left some of the matters of cultural importance to the local authorities, which the new rulers now tampered with.

21 Local Administration Act 1967 Section 3 (3)

22 *ibid*, section 4 (1)

he had the veto power almost in every matter deliberated upon by the council. For example, the Standing Orders of a council would have no effect until approved by the Minister²³. In such case if the Minister made revocations or variations in the Standing Orders made by a council, these too, had to be approved by the Minister.²⁴ Even in matters of constitution of a committee of a council, the Minister had the final word. For example, the members of any committee of a council would not exceed eight members without the permission of the Minister and in the case of the Finance Committee of the Council a Local chairman, had to be appointed by the Minister. In the substantive area of day to day administration of the district, the Secretary-General (with his Assistant), who was the overall administrative authority in each district, the role of council was to nominate five names from amongst its members, send them to the Minister who would appoint anyone from the list sent to him. The district council had no powers to remove the Secretary-General once appointed.

Apart from the extensive powers of the Minister in the appointment of key persons in the administration of the district, which extended the patronage of the Minister and the authority of the central government in local affairs, the law required the district council to maintain order and good government within the area of its authority. It was the duty of the administration (district council) to cooperate with government to assist in the prevention of commission of any offence, assist in the arrest of any offenders. Above all, the Minister retained the power to dissolve any council by issuance of a statutory instrument to that effect, should he feel satisfied that it is in public interest to do so.

In the key function of a council such as law making, financial management and administration as well as the general administration of the district, the powers of council were severely undermined by the overall powers of the Minister to sanction every action and detail. In the case of bye-laws of the council, whereas the law allowed each council to make them as such, the

23 Ibid, Section 23 (1)

24 Section 24 (1). By implication the councils became an extension of the state rather than a representative body of the people. Section 9 (3) and under section 25 (3) of the Act, the Minister was empowered to take over any services of a council if he felt the council was not performing them to his satisfaction

Minister had to approve any bye-law before it could have effect.²⁵

The Minister's most important source of power was in the area of financial management. Whereas the law created local councils as corporate bodies with powers to raise and spend revenues of council, the reality was that real power on financial matters of any council lay with the Minister. Several sections of the law demonstrate this power. The budget containing the estimates of revenue and expenditure of each council had to be approved by the Minister. In case the Minister disapproved the whole budget of a council, section 58(8) provided that no expenditure shall be incurred, no revenue collected nor shall any of the provision of the estimates be put into operation without prior approval of the Minister.

The Minister had the power to withhold the grants due to any council if he was not satisfied with the performance of any council.²⁶ The Minister controlled not only centrally administered finances such as block grants, all financial matters and transactions were sanctioned by him, ranging from appointment of tender boards to executing of actual contracts; and to fixing of rates and levies.

The power of a chief as an instrument of colonial rule was gigantic. It is amazing to note how the institution of a chief was entrenched further in the post-colonial era, the purpose of which was to tighten the grip of government on the ordinary people rather than creating an atmosphere for democratic governance and participatory decision-making. Under the Local Administration Act, the local chief's responsibilities are described to include: serving as an intelligence agent, assuming police duties by preventing crimes, apprehending offenders and administering justice. For example, section 40 (1, d) the chief was authorized:

to detect and bring offenders to justice and to apprehend
all persons whom he is legally authorized to apprehend

25 Ibid, section 37 Ibid, section 58 (5) specifically states that before any expenditure on any item is incurred by council the Minister's approval had to be obtained first. Under section 30 (1) the council was allowed to enter contracts of less than Shs. 30,000 only. Beyond that, the Minister had to approve.

26 Ibid, section 78. However, under section 78 (3) he would give a hearing to the representatives of a council before withholding the grants or releasing them if they convinced him. In our view, this was the most manifest way of extending patronage.

And for any of the purposes mentioned in this subsection, he may without warrant, enter at any hour of the day or night any place in which he has reasonable grounds to suspect that illegal drinking or gambling is taking place, or to which dissolute or disorderly are resorting.²⁷

This section of the Local Administration Act appears repugnant to the spirit of local good governance. First, the chief in this regard, seems to have been given absolute powers to violate human rights with impunity. Secondly, if the colonial administration is accused to have introduced “one man” rule in most clan-based traditional societies, the colonial chief was directly answerable to the District Commissioner and did not enjoy such autonomy to exercise direct ruthless personal rule as the post-colonial law gave him. The chief under this law became the law unto himself. The law authorized the chief to issue orders from time to time “to be obeyed by persons residing within the local limits of his jurisdiction to secure the enforcement of any law”. Going by this law, the chief’s powers went beyond any law governing public service. There is no other law in Uganda, which authorized any other public officer to act arbitrarily, on one’s own accord and without restraint of the law as the chief could operate.²⁸

It is imperative to note that the difference between the chief under colonial administration and the chief under the post-colonial administration is that under the former, the chief was an instrument of the state whereas under the latter the chief became an embodiment of the state apparatus at the local level. The chief represented the dictatorial tendencies that characterized the post-colonial state where local authorities were deprived of effective powers which were concentrated at the headquarters in Kampala, the remaining power at the local level was left to a chief. In 1990 the Public Service Review and Reorganization Commission observed in respect of the system of local

27 Ibid, section 41.

28 There is no section in the Local Administration Act 1967 restraining the extensive powers of the chief. See also section 43 “Any person who without lawful authority disobeys or fails to comply with any lawful order (issued by a chief) shall commit an offence”.

government established under the Local Administrations Act 1967²⁹, thus:

Powers were concentrated in the central Government in Kampala and Entebbe. It would not be possible for any local authority or agency to perform any task without prior reference to the headquarters...Whatever few powers were left to them were subjected to the approval of the Minister of Local Government in Kampala...This resulted in the collapse of almost all services rendered by the districts because of lack of authority and financial resources.³⁰

Indeed, this observation critically captures the difficulties that confronted the local authorities in their day-to-day operations. As it has been shown, the local administration law required all local authorities to consult and seek the approval of the Minister almost on every minute detail. One is left to wonder whether the Minister had all the time and ability to deal with all those issues. It seems not far-fetched to suspect that inefficiency and possibly corruption resulted from these over-detailed "consultations". At the same time, over-centralisation should have had negative effects on the performance efficiency and cost-effectiveness of the local authorities considering several trips senior district officials needed to take in order to secure the much-needed Minister's approval on all items and issues. Thus, it is argued in this essay that Uganda's post-colonial times did not bestow to the country a tradition of good local governance. This essay further argues that the decentralisation so far attempted in Uganda is also politicised due to the nature of the political system under which it has evolved, that it has tended to be a "hostage" of its "creators".

29 The Local Administration Act 1967 remained in force until it was first repealed in 1993 under the Resistance Councils Statute 1993 and again by the Local Government Act 1997.

30 Quoted from World Bank (1992) Uganda: District Management Study optic, p. 9.

Deficit of Local Democracy

It takes the patience of a curious student of Uganda's politics to note that although the British engineered reforms of local governments from 1949 onwards, and the country was engulfed in national struggles for independence, no direct elections took place until 1958.

The first only truly competitive general elections took place in March 1961, which were won by the Democratic Party (DP) and proceeded to form the first African pre-independence government under its leader, Ben Kiwanuka. In preparation for independence, another general election was held on 25th April, 1962. This time though; a coalition of Uganda Peoples Congress (UPC) and Kabaka Yekka (KY) left DP with minority seats hence, on the opposition. This resulted in the so-called "unholy alliance" between UPC-KY that formed the first independence government in October 1962. It is noted that the elections which preceded independence were highly competitive both at the local and national levels.³¹ Nonetheless, the alliance did not create a firm foundation for a resilient democratic state in Uganda.

What will make a critical observer of Uganda's national and local governments more curious is the fact that from 1962 through the 1960s and 1970s, no national or local elections were held. While Idi Amin advanced the this as one of the reasons for ousting Obote from power in 1971, he himself did not organize any elections. For example, one observer of this phenomenon writing in 1977 noted: "Though two elections were held in the country's pre-independence period, no national or local elections have been conducted during Uganda's existence as an independent state."³² In Amin's rule, the military took over local governments.

31 Samwiri Karugire (1996). *Roots of Instability in Uganda*. Kampala: Fountain Publishers. pp.40-48.

32 Norman W. Proviser. "National Electoral Process and State Building: Proposals for National Elections in Contemporary Uganda." *Comparative Politics* .Vol.19, No.3, 1977, p.308. For further details see Colin Leys (1965) *Politicians and Policies in Acholi, Uganda* .Nairobi: EAPH; pp.13 -31; Cherry Gertzel (1974) *Party and Locality in Northern Uganda*. London: Commonwealth Studies, No.16. Anthlone Press; Fred Burke (1964). *Local Government and Politics in Uganda*. Syracuse University Press.

The pre-independence elections were held following the Wild Commission Report 1959. Despite the recommendations of the Wild Commission for direct elections, Buganda, which had all along had a chiefly *Lukiiko* (local legislature), boycotted the 1961 elections and in the subsequent elections of 1962, the *Lukiiko* nominated its members of Parliament under the KY umbrella. The rest of the country, however, directly elected their local and national leaders at these elections.³³ Nevertheless, the story of democratic elections was to begin and end with the pre-independence elections.

The first post-independence elections were to be held in 1980 – the controversial ones that returned Milton Obote to power. Owing to the controversies of these elections, proper local elections were not held. Instead, party wards nominated their councillors to the district councils and the lower district structures. For the reason of prolonged absence of democratically elected structures at the local level, most observers argue that a reasonable degree of democratic local governments existed immediately after independence, and lost momentum; and have only begun to gain importance under the NRM regime since 1986.³⁴

Urban Authorities

The colonial and post-colonial times, centralisation tendencies affected the administration of both district and urban authorities. In the case of urban authorities, the Urban Authorities Act 1958 (as amended) by the Urban Authorities Act 1964 was generally not repealed. One of the key issues that affected the administration of urban authorities was the issue of ownership of towns. Section 63A of the Urban Authorities Act classified towns as follows:

33 ibid Samwiri Karugire (1996). *Roots of Instability in Uganda*. Kampala: Fountain Publishers. pp.40-48.

34 See Kasfir, Nelson. "No-Party Democracy in Uganda." *Journal of Democracy* Vol. 9, No. 2, April 1998, pp. 49-63; Kasfir, Nelson, 'The Ugandan elections of 1989: power, populism, and democratization', in Holger B. Hansen and Michael Twaddle (eds), *Changing Uganda. The dilemmas of structural adjustment and revolutionary change*, London: James Currey, 1991; Kasfir, Nelson, "'Movement" democracy, legitimacy and power in Uganda', in Justus Mugaju and Joe Oloka-Onyango (eds), *No-party democracy in Uganda. Myths and realities*, Kampala: Fountain, 2000, pp.60-78; Kjaer Mette, 'Fundamental change or no change? The Process of constitutionalising Uganda', *Democratization*, 6:4 (1999), pp.94-113.

If found in Buganda, they are Buganda towns. If outside Buganda they are local administration towns. Others were classified as government towns such as Entebbe, Njeru and Mubende.³⁵ The other municipal authority was Kampala City Council which had been incorporated by a Royal Charter dated 28th September 1962³⁶. Under the Urban Authorities Act 1958 (as amended by the Urban Authorities Act 1964) all towns under Buganda Government were responsible to the Minister responsible for local administration in the Buganda government and not the central government. So, there was no uniform administration of towns.³⁷

In respect of the government towns, the Minister responsible for local government in the central government retained as much power over urban authorities as those he had over district authorities³⁸. The Minister reserved the power to appoint the Chairman and Deputy Chairman of any urban council. Whereas the Minister retained the power under the Act to provide for appointment or election of councillors and other senior officers of urban councils, the Act exempted the Minister and councils in case of breach of law from wrongdoing; for example, section 10 of the Act reads:

All acts of a council or of any person acting as Chairman, deputy to the Chairman, councillor, Town Clerk or other municipal officer, as the case may be, shall notwithstanding that it be discovered that there was some defect in the election or appointment of any such a person or that he was disqualified or unqualified for election or appointment, be as valid and effectual as if such person had been duly elected or appointed and qualified.

This is particularly important because the power to appoint a Council Chairman and a Deputy to the Chairman and some councils was reserved for the Minister to exercise under section 7(1). Senior Officers of the urban councillors were appointed by the councillors subject to the Minister's

35 Kampala City and Jinja Municipality were government towns.

36 Kampala City and Jinja Municipality were government towns.

37 Section 2A (1) of the Urban Authorities Act 1958.

38 Section 3, 4, 5, 6, 7 of the Urban Authorities Act, 1958

approval.³⁹ To the extent of the importance of the Minister's powers in matters of appointment and their tenure of office as well as their terms and conditions of work, the urban council to which the officers in question were presumably responsible, had no power to dismiss them without the consent of the Minister. Urban councils were left with residual powers in matters of appointment of junior staff such as council agents, servants and workers for whom the councils would make staff regulations: ranging from appointment, assignment of duties, discipline to terms and conditions of service. However, even such staff regulations were subject to the Minister's approval. In addition to the powers of the Minister relating to constitution and control over urban councils, had powers to approve Standing Orders of councils, bye-laws and their contractual process and obligations.⁴⁰ The Minister also reserved the power to dissolve urban councils.⁴¹

Whereas the law required the council to procure goods and services through a tendering process following its Standing Orders, the same law undermined the due process meant to strengthen accountable management by inserting in Section 31(3b) that such a contract shall not be invalid only because of failure to observe any Standing Order made under the Act. Whatever the reason for insertion of such a clause, it was likely to promote unfair dealings and to abate corrupt tendencies.

In terms of financial management, local authorities (both district and urban) are reported nevertheless to have been self-sustaining and accountable. It is noted:

During the 1960s, the local authorities operated annual budgets that realized surplus which accumulated on the reserve accounts. These reserve funds were used as the main source of capital financing. Generally, the liquidity position at that time was sound and some investments were financed from revenue

39 Section 24 of the Urban Authorities Act 1958. These officers included: The Town Clerk, the Treasurer, Medical Officer of Health and the Engineer. ³²⁷ Ibid, Section 27 (2).

40 Ibid, Section 59B, .

41 Ibid, Section 62 (4), also Section 29 (2) of the Act.

contributions.⁴²

The sound financial position of local authorities in 1960s may be attributed to a number of factors: first, the economy of Uganda was healthy and growing. Secondly, there was a high rate of tax compliance amongst citizens partly because the local authorities were delivering services effectively. Thirdly, corruption was minimal as most public servants were relatively well paid and disciplined. Public service ethics were also still very strong deriving from the standards that had been set by the British administrators. These were however, ruined by subsequent governments which run down the machinery of public service. For example, in the 1970s under the military rule of Idi Amin, the economy was run down, service delivery institutions collapsed, the local authorities were run by military officers and there were no elected bodies. As there were insufficient finances in the central government treasury, there were also insufficient funds for local authorities. Consequently, infrastructure and social services were gravely affected. It is observed that the situation was so grave that it nearly “reached crisis proportions”⁴³.

During the 1970s, corruption in the local authorities also became rampant. The chiefs went on rampage, embezzling the little that was collected. Market-masters did the same”.⁴⁴ The years of political and economic decline affected the management of local authorities in many various ways: in urban areas property rates could not be collected because the Government Valuation rolls were out of date and Licence Fees were below actual values because the Ministry of Commerce took too long to revise them. In addition, the result was that Graduated Tax (personal tax) became the most dominant source of revenue, even in urban areas, where its contribution to urban authorities in the 1960s formed a minor fraction.⁴⁵ In many local governments, staff salaries were not only inadequate, and they took months in arrears. This was

42 J. L. B. Rucogoza, “The State of Local Government Finances” in Republic of Uganda (1998) “Report of the Ministry of Local Government Annual Consultative Assembly for 1988/89”, p. 54

43 Ibid, Rucogoza, p. 55

44 Ibid, Rucogoza, p. 58

45 DAG/ILGS, University of Birmingham, (1988) “Development of Local Administration in Uganda: Kampala City Council – The current Condition” Kampala, (Consultancy Report) pp 10-11

in addition to the fact that there had been cases of some departments being over-staffed.⁴⁶ The poor pay given to Kampala City Council workers, as noted did not help this situation: The Municipality could not afford to raise salaries and wages. Staff could not live on their salaries and therefore, had to find other means of supplementing their incomes, some of which were almost certainly corrupt. In any event, only few staff would do a full day's work and showed full commitment to public service.⁴⁷

7. DEMOCRATIC DECENTRALIZATION: THE POLITICS OF SERVICE DELIVERY

The institutional distortions of the “lost” decades (1970s and 1980s) had serious implications on the Ugandan society as a whole. The physical infrastructures such as roads, telephones, schools, hospitals, water supply had either deteriorated or experienced systemic failures. Morale in the public service was very low. Public policy implementation was unreliable and unpredictable as departments lacked basic tools like telephone, fax, paper and even pens. Above all, the salaries were too miserable to motivate public servants to work efficiently and effectively for government. It is reported in a study by Bigsten and Kayizzi-Mugerwa that during the hard times, civil servants were hit worst amongst all categories of the Ugandan society because they lived on salaries from government which had miserably declined to the extent that for a senior staff, a monthly wage could only buy food for a week for a family of four to six people⁴⁸. The reactions of public servants to their poor

46 Ibid, (pp 16-19) while the lower levels were over-staffed 40% of the senior positions were by 1988, not filled due to failure by Kampala City Council to compete for skilled manpower with other agencies.-

47 Ibid, p. 16

48 Bigsten Arne and Kayizzi-Mugerwa *ibid*, 1992, p. 1430 Also, Mahmood Mamdani, “Uganda: Contradictions of IMF Programme and Perspective” *Development and Change* Vol 21, No. 3, 1990, indicates that wages earned by civil servants declined in real terms by 26.4 percent annually between 1980 – 1984. Also, David Himbara and Dawood Sultan, “Restructuring the Ugandan State and economy: the Challenge of international Bantustan” *Review of African Political Economy* No. 63, 1995

conditions of work in government were varied.

According to Bigsten and Kayizzi-Magerwa, civil servants' survival strategies included: obtaining a second job in addition to the one he/she has in government⁴⁹, venturing into the informal private sector, changing family diet for inferior foods, growing their own food on some pieces of public land or in the backyard of their homes, rearing poultry and animals, while others left the public service altogether. Besides the low morale of public servants and professionals, the state of public service institutions was lamentable. Scholastic materials for schools and drugs for hospital and dispensaries were lacking. Water supply in both rural and urban areas became unpredictable. Most of the people resorted to other sources of lighting and energy supply. Electricity supply was unreliable. Urban residents were particularly hit by the collapse of public services as they could not be privately provided. Most hospitals and schools in Uganda are government owned. Electricity and water supply are controlled by public bodies. Therefore, the collapse of the state sector had direct bearing on the provision of these services. There is need to conceptualise and to come to grips with the issues of state collapse. What is state collapse? According to Gilbert Khadiagala, state collapse is understood to mean a fundamental institutional problem, manifesting itself in the inability of state arrangements to provide meaningful social action⁵⁰. Since the state in its institutional mode needs to extend its authority and derive legitimacy as an indispensable force in the organization of society, there is a problem when it collapses because its purposive role in steering society disappears.

Khadiagala argues that state collapse is more than mere institutional weakness⁵¹. Institutional weakness may imply organizational dysfunction, but state collapse implies the failure of the state to "penetrate and coordinate

49 Many teachers up today serve in government schools as well as serving in other schools to make ends meet. Medical doctors and other professionals still serve elsewhere in addition to their official jobs. In a survey of Kampala households, Bigsten and Kayizzi-Mugerwa (1992) *ibid*, p427 found that 75% of public servants had other "profit making activities" in addition to their official jobs.

50 Khadiagala, Gilbert M. "State collapse and Reconstruction in Uganda" in I. William Zartman, (1995). *Collapsed States: Disintegration and Reconstruction of Legitimate Authority* Boulder Colorado: Lynne Rienner publishers p.33

51 *ibid*, Khadiagala p.34

activities in society and society itself⁵².

The problems arising from the collapse of the state are three-fold: it is unable to deliver political goods, it is unable to mobilize society for productive activities and relies for its existence on the use of brutal force of coercion. As a result, civil society and community organizations withdrew from the public arena and retreat from “apolitical” activities to the private realm of life. Without a sufficiently legitimate state, the private realm is also ‘disorganised’ and uncoordinated. This increased the incidences of banditry, disorder and ‘informal-ism’. As the state collapsed “society carried on”⁵³. As Zartman puts it “the state pulled into itself and imploded, became a black hole of power”⁵⁴. This was the case of the state in Uganda. Power withered away from the rulers while holding onto state machinery (especially the coercive one). As Sandbrook puts it “Political decay feeds on itself. As consent declines, politicians rely more heavily on pay-offs and [use of] force”⁵⁵.

The results are instability, corruption, crime and rebellions. Also, economic problems deepen as state coffers dry up. Systemic institutional decay occurs. In comparative terms, Uganda’s systemic institutional decay had its counterparts in Chad, Zaire (now Democratic Republic of Congo) and Central African Republic. In these countries, the state collapsed.

Decentralisation as a Response to Institutional Collapse

Decentralisation in Uganda as a mode of governance has developed through three phases: the first one between 1986 and 1992 was known as Resistance Councils and Committees (RCs). The second phase 1993 – 1997 may be termed as a reform of local government through RCs which were re-named Local Councils (LCs). The third phase is the present one, since 1997 is known as Local Government. Each of these phases is characterized by its own policy

52 Ibid, p.35

53 Zartman, William I. “Introduction: Posing the Problem of State Collapse” in I. Williams Zartman Collapsed States, p.1

54 Ibid Zartman, p.7

55 Sandbrook, R. (1985). The Politics of Africa’s Economic Stagnation. Cambridge: Cambridge University Press, p. 114.

objectives and has served a specific purpose in institutional “re-engineering”. In this section I analyse the contribution of each of the above phases to the process of rebuilding institutions of governance in Uganda.

Decentralisation Phase I: Resistance Councils (RCs)

The genesis of RCs is to be traced in the ideological persuasions of the National Resistance Movement (NRM) and its guerilla army known as the National Resistance Army (NRA) which organized and fought Obote’s Uganda People’s Congress (UPC) government 1981 – 1985 and the short-lived Tito Okello’s military junta in 1985. RCs were organisational instruments for mobilizing rural peasants in NRA’s pursuit for power in the bushes *of Luwero Triangle*⁵⁶. The RCs were perceived by the NRA as “people’s power” or “popular democracy” and also, as “an integral part of the National Resistance Movement⁵⁷”.

When the National Resistance Movement (NRM) came to power in January 1986 after a successful guerilla war, its leaders defined democracy in three ways: parliamentary (or representative) democracy, people’s committees and a decent level of living for every Ugandan. On assuming state power, the NRM embarked on establishing RCs at grassroots level in every village and urban areas. The main tasks of the RCs were to deal with lawbreakers in cooperation with chiefs and police, discussing local development projects, and to act as forums for dealing with corruption and misuse of office by government officials. Above all, the RCs were responsible for screening recruits into police, army and prisons “in order to avoid anti-social elements warming their way into these institutions as has been the case in the past.”⁵⁸ The NRM government constructed a pyramidal structure of RCs – RC I at the village, RC II at parish, RC III at sub-country, RC IV at country level and RC V at district level. At the national level, the NRM established the National Resistance Council (NRC). The structure was indeed an NRM structure. It is

56 Resistance Councils and Committees were known as Obukiiko in the area captured by NRA from the government soldiers. see The Ten Point Programme of the NRM Kampala: NRM secretary, p.8

57 Ibid, The Ten-Point Programme of NRM, p 8

58 Ibid, The Ten-Point Programme of NRM, p 8

important to note that the establishment of RCs introduced a new spirit of people's participation in local governance because every female and male adult was a member, especially at RC I (village council). It was the first time in the contemporary history of Uganda that village councils were established by government. Representatives directly elected at each of the lower levels formed a council at the next higher level except the NRC, which was initially composed of "historical" members⁵⁹.

The NRM claimed that the "no-party" system was superior to multi-party and single party systems because the "no-party" system was "broad-based" and "all-inclusive" and its main pillar was the RC system. According to Kasfir's analysis:

The village-level RCs are a textbook example of participatory democracy, with all adult residents gathering to decide village issues, electing a council to govern and judge local cases and recalling any elected officials who have lost their confidence⁶⁰.

This romantic perspective of RCs existed briefly when RCs were first established in 1986 and a few years that followed. As Kasfir notes again, RCs served the NRM's "no-party" ideology very well "so long as they remained the institutional expression of popular participation, they supplied no-party democracy with its most persuasive justification⁶¹". Kasfir is quick to point out correctly however, that popular participation in RCs was difficult to defend because popular participation ended at village level⁶².

The RCs had their own institutional problems. These ranged from conflicts

59 At all local levels, elections were conducted not by secret ballot but by residents openly lining behind candidates of their choice. The candidate with the biggest number of votes was elected. However, it turned out later that people would tend to elect relatives, friends, etc, and competence was lost as a criterion for holding a public office. Between 1986 and 1989, the NRC was not elected.

60 Nelson Kasfir, "No-party Democracy" in Uganda. *Journal of Democracy*, Vol 9 No 2, 1998 p. 54

61 *ibid*, N Kasfir, 1998, p 54

62 *ibid*, N Kasfir 1998, p 54

with chiefs, police, magistrates and failure to understand their jurisdiction⁶³. At their inception, RCs tended to believe they had replaced chiefs. In some areas, RCs argued that during the civil war they had done without the chiefs, therefore they could still run their own affairs without them. More confusion was found in some areas where the chiefs themselves stood and were elected as RC chairmen⁶⁴.

The important question that was constantly raised was whether RCs were organs of the people, of the state or organs of the NRM. The assumption that they were organs of the people was based on their organisational nature as well as the tasks they were to undertake. They operated at grassroots as people's assemblies and participation in them was voluntary on part of all the adult residents of a particular area. On the other hand, this view of RCs being organs of people's power was contestable given that they were a creature of the state and not the people themselves. They could for instance not be compared with cooperative societies, which are normally created by people for a specific purpose.

At the same time, they were at inception, not defined as organs of the state because the key organs of the state such as the chiefs, police, prisons, etc, remained intact. Moreover, in their formative years, RCs had no legal existence as the law prescribing and regulating their activities was not enacted until 1987.⁶⁵ It was possibly more accurate to see RCs as organs of the NRM because their creation was facilitated by the cadres of NRM and their overall direction originated from the Special District Administrators (SDAs) at the district level and the NRM Secretariat.

In the latter capacity, they operated as organs of local government. Implicitly, however, this new legal status of RCs had one important implication, the pretension that they were organs of "people's power" ended. This could not have been least expected because RCs had been branded "organs of people's power" by NRM cadres and some intellectuals alike without much

63 Sabiti Makara, "The Role of Resistance Councils in Promoting Democracy in Uganda" (unpublished research report) Makerere University, 1992

64 Expedit Ddungu, "Popular Forms and the Questions of Democracy: The Case of Resistance Councils" p. 15

65 Resistance Councils and Committees Statute No 9, 1987.

careful analyses of what they stood for⁶⁶. RCs had not arisen out people's consciousness, their roles were defined by the state and their ideological orientation defined for them by the NRM. They were not civil society organizations but state organizations. It is surprising that soon or later, the members of the executive committees began to solicit bribes from the residents as well as questioning what benefit was there for them to spend all their time on community matters/public affairs.

The broader problem with RCs was the context in which they were supposed to operate. First, the NRM required them to operate as non-sectarian organizations (religious, political affiliation, ethnic or racial). This, at the surface appeared well reasoned in view of the fact that the sectarian tendencies had undermined the Ugandan society for a long time.

Secondly, during the elections of RCs, campaigns for particular positions on the committees were not allowed. The logic seems to have been for NRM to have its ideologues obtain positions in these committees. Thirdly, on paper, the RCs were free to move a vote of no confidence in any member of the committee if they were dissatisfied with his or her performance or conduct. At the beginning, this seemed plausible and in many cases, it happened. However, there were two problems with the system of moving and effecting votes of no confidence. One was that if a member of RC in question happened to be a relative of socially powerful people, the mover of the motion would be witch-hunted. The second problem was associated with how the affected person related with NRM cadres and other officials. The mover of such a motion of no confidence in such a politically connected person would be branded all kinds of names such as *kipinga*- "retrogressive", "partisan", sectarian and so on. The result was that within RCs, there were "untouchables". This resonates with Mamdani's observation that the NRM has been reluctant to extend democracy beyond individual rights, thus, the "NRM has championed the cause of rights only so long as it does not threaten its hold on power⁶⁷". The NRM used RCs over the years to extend its ideological orientation of "no-party" system. Thus, in reality, RCs could not be autonomous vehicles for championing diverse

66 Opcit, Expedit Ddungu, "Popular Forms and the Questions of Democracy: The Case of Resistance Councils in Uganda" CBR Publications No 4, 1989 M. Mandani, "NRA/NRM: Two Years in Power"

67 Opcit, Mahmood Mamdani, And Fire Does Not Always Beget Ash: Critical Reflections on the NRM, Kampala: The Monitor Publications, 1995 p.103

ideologies.

Decentralisation Phase II: The Challenge of Administering Decentralised Services

In the above section, I have shown and analysed the nature and characteristics of RCs in their formative phase. I have pointed out that the definitional roles of RCs were in many cases unclear and at times, confusing. In this section, I show how RCs turned into structures of local government with definite roles and responsibilities. In effect, therefore, the study of Uganda's decentralisation in functional terms begins from 1992, when the President of Uganda launched decentralisation. Although the term Resistance Council (RCs) was retained, it now, implied a structure of local government.

The President of Uganda in his inaugural speech for decentralisation acknowledged that the system of RCs existing prior to decentralisation was weak. He said in reference to RCs, "we feel that the system has a number of weaknesses, which might, if unattended to, cripple all our effort."⁶⁸ In his speech, he pointed out the weaknesses of the existing local governance system to include:

- (i) The existing personnel system was neither answerable to Local Authorities nor to Central Government. This was making it difficult to control and discipline the civil servants at local level.
- (ii) There were no clear lines of authority with respect to services provided by Central Government line ministries.
- (iii) There were no clear relationships between the Central Government and Local Government in financial matters.
- (iv) The existing structure of Government tended to preserve the sectoral approach to development and to promote duplication of efforts. It was inefficient and wasted resources.

68 President Yoweri Museveni's address at the launching of the Local Government Decentralisation Programme on October 2, 1992, p.6 reproduced in Decentralisation in Uganda: The Policy and its Philosophy, Decentralisation Secretariat, 1993

- (v) The existing local government structures tended to require the Local Authorities to give rubber stamp approval to decisions taken at the headquarters of Ministries.
- (vi) The elected officials of Local Authorities, such as the District Chairperson had no power commensurate with his/her status. They operated under the shadow of centrally appointed District Administrators.

President Museveni noted that the existing system of Local Government allowed civil servants undue freedom to do whatever they wanted “while the Local Councils and their chief executives looked on hopelessly⁶⁹”. He noted further, “it is therefore not fair for District Councils to be so dependent on a work force over which they have no control⁷⁰.” These observations are pertinent because the system of local government then worked within the framework of the Local Administrations Act, 1967 which had centralised power – personnel, financial, legislative and decision-making. In short, the local governments were dependent on the headquarters of the Ministries for approval even in simple administrative matters.

The launching of decentralisation promised to reverse these centralizing tendencies. The main changes announced by the President in this respect included:

- (vii) The elected local leaders such as the District Chairperson were to have political powers together with the Council to make decisions.
- (viii) The civil servants were to become employees of the district council - appointed, controlled and disciplined by the District Service Commission.
- (ix) In addition to grants from the central government, local governments would collect local taxes, use them at their discretion and allocate them according to their local needs and priorities.
- (x) It was no longer necessary for local governments to refer budgets to the Minister for approval. The role of the Ministry of Local Government was to supervise the implementation of government programmes and to issue guidelines.

69 ibid, President Museveni’s address, p. 5

70 ibid, President Museveni’s address, p. 5

Broadly, the changes ushered in by decentralisation in 1992 entailed a number of changes in the system of government. The new principle became one where decisions of government would be taken as close as possible where the effected people are. For example, most service sectors, such as primary education, health services, child welfare, control of communicable diseases, water services, paving roads, agriculture, and others of local nature were decentralized to local authorities. Besides, District Resistance Councils were allowed to make bye-laws without reference to the Minister. The power of the Minister to revoke bye-laws was removed. The local councils only needed to send their bye-laws to the Attorney General for publication in the government gazette.

The most fundamental innovations arising from the new policy of decentralisation under the ***Local Government Statute***, 1993 were basically three: a separate personnel system, intergovernmental fiscal relations and a new power structure. Under the ***separate personnel*** system, the District Service Commissions were introduced to recruit, discipline and dismiss local government civil servants as opposed to the ***unified personnel*** system, which existed before decentralisation. Under the unified personnel system, all employees of the local governments were central government employees controlled centrally by the Public Service Commission. Under the unified personnel system, civil servants suffered from double loyalty: they reported both to their ministry's headquarters as well as to the local councils with which they worked. This had significant implications for the accountability process. The civil servants at the local level felt that they were more accountable to their superiors at the ministry because their promotion or career advancement depended more on the latter than their immediate political bosses at the local level. Similarly, the locally based civil servants controlled financial and other resources that came directly from their sector ministries down to their departments at district. Largely therefore, the civil servants were their own masters at the local level.

The introduction of the separate personnel system entailed fundamental changes. First, District Service Commissions took over the personnel function at the local level from the main Public Service Commission, which only retained the function of recruiting, promoting, disciplining and dismissing the central government employees. The advantages of a separate personnel system were envisaged to include accountability and efficient management,

responsiveness, quality personnel, recruitment of relevant competences and human resources in matters that were seen in terms of expertise relevant to the needs of the constituents and the locality. The underlying objective was that if civil servants were recruited to serve a particular local council, they would be loyal and committed to it. They would take directives from the local councils and its leadership and would be answerable to them for their actions. At the same time, the idea of separate personnel for local government was based on the belief that the civil servants would be more effective and efficient since they would work with people with interest in local projects and development programmes at that level. In essence, too, supervision of civil servants by the political leaders would be closer and realistic. This would harmonise the development programmes of the local councils.

In tune with the above expectations was also the idea of responsiveness on the part of civil servants. The new perspective was to see the civil servants not detached from the local circumstances but as part of the social processes at the local level. In this respect, the civil servants would be expected to respond to local needs and circumstances, thereby deliver socially relevant solutions to local problems. In turn, the local people were expected to be more willing to contribute either in kind or financially to local projects because they would be seeing the real benefits of their money or labour. As a result, local constituents would be willing to pay taxes, which would facilitate the work of local government at their level.

Envisaged too, was a very high calibre of personnel at the local level. It was an established fact that the poor performance of local governments was not only due to excessive centralisation and lack of sufficient discretion in most matters but largely due to the poor calibre of personnel at the local level.⁷¹ To reverse this trend, the new District Service Commissions were given powers to hire all categories of personnel for both district and urban councils in each district from the lowest cadre such as cleaners to the most senior person such as the Chief Administrative Officer (CAO) for the district or Town Clerk for the municipality or town.

Though the separate personnel system was appropriate and relevant for full scale decentralisation, it met doubts in some quarters. This was not

71 F.X. Lubanga, "Human Resources Management and Development in the Context of Decentralisation" in Apolo Nsibambi, *Decentralisation and Civil Society in Uganda*, Kampala: Fountain Publishers, 1995

surprising because both central government officials, politicians as well as locally based civil servants had for long, been based on a system of patronage and bureaucratic red-tape through which they made personal gains by way of what used to be known as “oiling the system”. This meant that local officials bribed their senior officers for them to be promoted or gain other favours. With the introduction of this new system, the local officials were required to report and account to the local politicians as well as constituents for their performance. Some of the doubts rose from the senior central government officials who doubted the capacity of the newly created District Service Commission to handle complex personnel matters. More importantly, officials in the ministries saw the new personnel as a process of taking away their powers and resources. Until separate personnel, set in all matters of human resource management were handled at the headquarters of the ministry of Public Service. With decentralisation in place, most ministries retained functions relating to the policy, guidance, capacity building, inspection and issuance of direction.

Decentralisation in the form of devolution entailed “separate governments”, that is, central government on the one hand, and local governments on the other. This meant that the central government officials would no longer issue directives to the local governments especially in matters of personnel management.

The locally-based officials, hitherto, posted by central government to serve in the districts were apprehensive about the new personnel system. They complained that they had been “sold out and abandoned” by the central government. The apprehension, perhaps, had grounds. The civil servants feared that the local politicians would victimize them based on ethnicity, religion, and other parochial grounds. In 1960s, these parochial sentiments characterized employment in the decentralized local governments of that time. There was a common sectarian saying in some areas especially Buganda which went like “*gwe oli mwana waani?*” - “whose child are you?” This tendency occurred also in other parts of Uganda⁷². The civil servants reckoned those sentiments and felt that the return of the separate personnel system would herald the return of those inward sentiments and compromise meritocracy and seniority as the benchmarks for career development

72 Martin Doornbos(1976), on “Kumanyana movement” in Ankole in his book, *Not all the King’s Men*

in government service. The fears of the civil servants were also based on grounds that corruption, nepotism and clientalism, which have pervaded the Ugandan society and the public realm would work against the more upright and professional civil servants. The more profound fear that pre-occupied civil servants was the fact that they were now to be "localized", that is they were to become employees of a single local authority. They would no longer be automatically promoted to higher ranks in the central government, as was the case under the unified personnel system. If a civil servant reached the highest level in a local authority, that meant the apex of his or her career, there would be no further openings for him or her. If one was to join the central government for a higher position, that meant applying afresh and sitting for interviews on a competitive basis with other people desiring to gain that position.

The concerns of the "local" civil servants have some merits. Under the present system, there is already a wide spread practice for the local authorities to recruit "home boys and girls", meaning those graduates who hail from a particular home area. On the broader picture, this may encourage recruitment on patronage basis, increase corruption and nepotism and compromise public service efficiency in the long run. Besides, the national image of the public service is likely to fade with time when civil servants have attachments to their "local issues" and politics. Moreover, with the rampant scarcity of jobs in the country, there is also some temptation for the "politically-connected" and the well to do to influence the local politicians and the District Service Commission to secure jobs for their sons and daughters or relatives. The result would be a growing non-professional public service—dominated by particular sections of the people, a tendency that will make the local public service impenetrable and non-transparent. This would defeat the original objectives of decentralisation- accountability and efficiency.

In a bid to forestall the likelihood of lower standards of public service at the local level, the central government with the assistance of the donors instituted the capacity-building project, which helped in the training of local councillors, civil servants and heads of statutory bodies in the management of decentralized service delivery. The ministry of Local Government also issued guidelines on the management of personnel functions at the local

level⁷³. The guidelines have helped to stem the wave of political victimization that confronted the civil servants in the early years of decentralisation. The local politicians have gradually come to understand that in disciplining civil servants as well as terminating their contracts, the principle of natural justice has to be followed; otherwise, the cost implications involved in compensating the victimised employee can be astronomical.⁷⁴

Despite the existence of the separate personnel system, working conditions have not been better for civil servants in the local government. First, there is a problem of low pay, which is a general problem also in the whole government structure. However, it is perceived at the local level, that the central government employees have more access to allowances such as travel, off-station, facilitation and others. The second problem is that local governments have a tendency of delaying the salaries of their employees. Some councils have gone up to eight months without paying salaries to their workers while some have diverted the money meant for salaries to other activities.⁷⁵ Another problem for decentralized personnel management seems to stem from functions of the District Service Commissions. Although this statutory body is enshrined in the Constitution (1995) and the Local Government Act 1997, it lacks sufficient funding. The District Service Commission has a small secretariat, and the calibre of persons on these commissions is generally low and highly politicized. Besides, the District Commission has a narrow mandate- its functions are limited to recruitment and disciplinary actions of the employees. They have nothing to do with the routine matters of deployment of local government workers, a function that is vested with

73 Uganda Republic (2003), Human Resource Management in Local Governments: Participant's Handbook, Kampala: MOLG.

74 In the case of wrongful termination of the Chief Administrative Officer for Kabale district the district council was ordered to pay shs.200 million. In the case of the Town Clerk of Mbarara, his interdiction was reversed by the court of law.

75 The Minister of Local Government complained in his address at "Decentralisation Implementation Review Workshop", held at Colline Hotel on 23 February 1995 that Iganga District Council had not paid salaries for 8 months, and Kampala City Council had not paid salaries for 3 months. This was embarrassing to government and undermining decentralisation. Mbarara District Council diverted teachers' salaries to other activities.

the Chief Administrative Officer. Therefore, the welfare of workers does not feature in the functions of the District Service Commissions.

Local government civil servants have no common voice through which to speak out on their grievances and dissatisfaction with work conditions. The associations of local authorities – the Uganda Local Authorities Association (ULAA) and the Uganda Urban Authorities Association (UUAA) tend to focus on what they consider to be “big” issues affecting the relations between their member authorities and the central government. The plight of local governments’ workers has not featured prominently on their agenda. Thus, much as the separate personnel system was conceived to increase efficiency, responsiveness and accountability on the part of the local government employees, the issues of motivation, career path development, training, working conditions and retirement benefits have not been adequately addressed. Two daunting issues still remain unresolved. There is the issue of retirement benefits. The local governments have up to this day, no independent pension scheme for those who retire from their service. They have to make claims from the Ministry of Public Service. The complaint is that the Ministry over-delays the processing of pension. The other key issue concerns payroll. This too, is still centralized. Low cadre workers at the local level have to use their meagre resources to go to the capital city, Kampala to check with the Ministry of Public Service whether their names appear on the payroll when their salaries do not come to the district three or so months after employment. This is the reason why many local government employees detest transfers from one station to another because that involves missing their salary for some months, as adjustments are being made on the payroll in Kampala.

Finally, there is the issue of “elite capture”. This concept means the tendency of the bureaucratic and powerful political players to use decentralized and locally mobilized resources for their own benefit rather than allowing such resources to trickle down to programmes intended for the local communities. Under the separate personnel system in Uganda, the bureaucratic officials have at times allied with the local politicians to divert or misuse resources intended

for development programmes.⁷⁶ This is partly because the professional life of the appointed officials depends not on the organizational principles but on the “popular” approval of the local politicians as good “boys” or “girls”. In other words, they are ready and willing to cooperate in the political manoeuvres of the local politicians and their powerful allies to manipulate resources meant to benefit society. This tendency has undermined the efficacy of both the decentralisation policy and the separate personnel system. Thus, while the locally based bureaucrats under the former unified personnel systems were branded “semi-gods”, the new system seems to have made them puppets of the local politicians, a tendency that has greatly perpetuated corruption in the local governments. There is now a common adage that the decentralisation policy was another way of “decentralising corruption”. Much of this corruption goes on undetected by the watchdog institutions of the central government such as the Inspector General of Government (IGG) and the Auditor General because it is systemic, involving the appointed officials, the local politicians and the powerful persons in the society. The situation that has prevailed in the Uganda under decentralisation is typical of what Conyers warned us of, that there is a danger that decentralisation will tend to strengthen the positions of the local elites and in the process perpetuate inequalities.⁷⁷

76 Several cases of awarding tenders to unqualified companies are common occurrence. Diversion of funds from one vote to another is also rampant. Because some powerful elites in the society assisted local politicians during their elections, they do whatever is possible to reward them with either jobs in the local authorities or securing tenders for them to supply goods or services. Any attempt by the appointed officials to block such deals will “spoil” their jobs, so they comply or “cooperate”.

77 Diana Conyers, “Decentralisation and Development: A Framework for analysis” in *Community Development Journal* vol 21, no 2, 1986.

8. CENTRE – LOCAL RELATIONS UNDER DECENTRALISATION

The spirit under which the decentralisation policy gained ground in Uganda may be discerned in the words of President Museveni's support for it. In support for the new policy of decentralisation Museveni writes:

The message has been clear: Central Government can only be pretentious if it claims to have the capacity to provide and oversee development at grassroots. Central Government should just be a facilitator, because sustainable development can only be locally driven and supported. The role of the Centre will be to "set the stage" but not to "act out" the play⁷⁸.

The message indeed is very clear. The idea behind decentralisation, at least the type of devolution that was envisaged in Uganda was intended to roll back the over-extended and inefficient central government. The key objectives were in tune with the new neo-liberal agenda which required a smaller but more effective central government leaving the rest of the activities to the "local state" and the people. Most federal states have used the same principles that advocate for a strong central government that is capable of governing effectively, a "local state" that regulates activities at the local level and creates conditions that guarantee people's rights and freedom⁷⁹. To cement the idea of devolution in Uganda, Museveni argued:

We are prepared to allow our people who are short on experience, systems and practices of local governance but long on their commitment to democratic order to experiment with the new structures, systems and

78 President Museveni's keynote address at the opening of the "Regional Conference on Local Self-Governance, Peoples Participation and Development" Kampala 30th August 1993.

79 See for example, the basis of United States federalism in Clint Bolick (1993), *Grassroots Tyranny: The Limits of Federalism*, Cato Institute, Washington, DC.

procedures so long as we maintain a capacity to recognize and correct errors⁸⁰

Museveni's support for devolution was borne out of number of factors. First the experiment with RCs had helped his NRM government secure broad support within the masses especially in the rural areas. Secondly, the reforms that were taking place in other areas of the public sector in Uganda necessitated a devolved form of governance. The key reforms that were taking place in the first half of the 1990s include: the privatisation programme⁸¹, the macro-economic reform or Structural Adjustment programme⁸², and the public sector reforms⁸³. These neo-liberal reforms could only operate with a measure of success if the whole governmental structure was revisited and overhauled. Thus, it is no exaggeration to observe that decentralisation was conceived as part and parcel of the "package" of reforms. This observation is important in view of the fact that although RCs as local institutions were claimed as a "home grown initiative"⁸⁴, they operated under the Local Government Act 1967 until 1993. RCs on their part secured the political objectives of the NRM. The new ideas of efficiency, effective governance, a small central state – are concepts that are blended with the neo-liberal reforms ushered in by the donors, and taken up by the NRM government. Thirdly, there is the issue federalism. In some parts of the country, especially in the central region of Buganda, there was (still there is) a strong demand for that the form of local government.

80 *ibid*, Museveni's Key note address 30th August 1993.

81 Geoffrey B. Tukahebwa, "Privatisation as a development policy" in Holger B. Hansen and M. Twaddle, *Developing Uganda*, London: James Currey, 1998.

82 Paul Collier and Sanjay Pradhan, "Economic Aspects of the Transition from Civil War" in Hansen and Twaddle (eds), 1998.

83 P Langseth, "Civil Service Performance in Uganda" in P. Langseth, J. Katorobo, E. Brett and J. Mionene (eds) *Uganda: Landmarks in Rebuilding a Nation*, Kampal: Fountain Publishers, 1995

84 Phares Mutibwa, *Uganda Since Independence: A Story of Unfulfilled Hopes* London: Hurst and Co. 1992

Decentralisation versus Federalism: The big Contentious Issues

Decentralisation was introduced by the government towards the time when the Constitutional Commission was due to complete its report⁸⁵. To some people, especially among the Baganda elites, decentralisation was timed to undermine their demand for a federal arrangement of local government. In the wake of drafting and debating the Local Government Bill, the pro-federalists argued, that the policy of decentralisation as presented in the bill was a constitutional matter since it sought to entrench a unitary form of, as opposed to a federal government. They submitted that exacting the bill would amount to pre-empting and prejudicing the constitution making exercise⁸⁶.

Although the decentralisation bill was passed in December 1993, some sections of the population remained uneasy about decentralisation. It could possibly be true that the government timed the introduction of the policy to undercut the demand for federalism. This also could explain the motivation of the government to allow extensive powers at the time, to be devolved to the local level. At that time, there was little that a federal system could that was laid down by the decentralisation policy.⁸⁷ The important point to note is that decentralisation could achieve a significant measure of success if the central government leadership remained committed to the principle of sharing power.

85 Decentralisation was launched in October 1992, while the Constitutional Review Commission handed in its report on 31 December 1992. See World Bank, "Voices and Choices at Macro-level, increasing the Value of Participation in country-owned poverty-reduction strategies: the Uganda Process case study" at www.worldbank.org/participation/webfiles/Uganda. This report found that decentralisation in Uganda was hastily implemented without adequate capacity at the local level to manage it well.

86 Francis Lubanga, "The Process of Decentralisation" in Soren Villadsen and Francis Lubanga, *Democratic Decentralisation in Uganda* Kampala, Fountain Publishers, 1996: p. 55

87 In the case of Ethiopia, under the 1994 Constitution, powers that are more extensive were granted to regions including the right to secede, which is not the case in Uganda. See A. Bayene, "Decentralisation as a Tool for Resolving the Nationality Problem: The Ethiopian Experience" in *Regional Development Dialogue V*

Why was Decentralisation initially resisted?

In Uganda while some sections of society either doubted the commitment of central government to devolve power or were cynical about the intentions of the government, the policy was implemented on well-laid principles of sharing power between the centre and the periphery. Why were some elites skeptical? Apart from the dominant political culture of centralisation that the bureaucratic officials had known for most of their lives in public service, which taught them that power flows from the centre, there were other reasons. First, decentralisation meant loss of power and patronage for the officials in the central government ministries. Secondly it also meant loss of control and field visits (which meant loss of allowances for officials). The latter has been termed as “administrative tourism” by some critical observers⁸⁸. Secondly, the other source of bureaucratic resistance was the institutional framework which gave local authorities autonomy to do whatever they felt was appropriate for their localities and hence, ceased to be subservient to the wishes and whims of the senior government officials in the central government ministries. This resulted in a tendency on the part of the latter to attempt to derail and even frustrate the process of decentralisation. These officials contended that there was no capacity at the local level to manage government business and resource efficiently and effectively⁸⁹. The third and the most fundamental source of problems with the new centre – local relations was political. While on one hand, the NRM leadership had gone all out to implement decentralisation, on the other hand, its political intentions were suspect by some other circles. The pro-federalists argued that decentralisation, was not an effective way of empowering local areas. This issue was hotly debated in the Constituent Assembly (CA) 1994 – 1995. The arguments of pro-federalists took the following tone:

88 Apolo Nsibambi’s assertion in *Proceedings of the Constituent Assembly* March 28, 1995

89 This was partly correct because decentralisation was a new form of administration; both local government officials and local politicians had no previous knowledge in handling the new responsibilities independent of the centre. Expectations of the population were also too high, hoping for a quick transformation of their areas.

The fundamental struggles which have gone on in this country and which are still persisting revolve around the sharing of the “national cake” equitably between the different parts of Uganda ...We want to suggest that we use a federal constitutional formula⁹⁰.

This line of argument contended that decentralisation gives only “borrowed power” from central government to local authorities which the centre could withdraw anytime if it wished to do so. The same view contended that if a federal model is used it would have two effects, one; it would distribute national resources as well as allow local entities to harness their own local resources, leading to equitable distribution of national resources and local development throughout the country. According to this view, it would also create real power at the local level, which power would countervail the power of the centre, thus minimise the dictatorial tendencies of the centre.

The pro-federalists had another argument that the units (districts) to which decentralisation had devolved power were too small to be efficient and self-supporting. On this line of thought, they argued that federal units would be larger based on regional units, and thus would have economies of scale in terms of providing services such as roads, major hospitals and other large undertakings. Other arguments were based on the uniqueness of each region of Uganda. It was argued that each region of the country was uniquely endowed, therefore, such endowments - cultural, social and economic would facilitate regional development. This argument pointed out that the centre was milking and exploiting some regions without returns to such areas- in terms of services⁹¹. This argument dismissed decentralisation as to mean “go and develop yourself” without consideration of what your area was contributing to the national income⁹².

Arguments for decentralisation as opposed to federation were varied. They run from the historical experiences of 1960s when Uganda was run on a

90 Apolo Nsibambi (Presidential Nominee to the CA) submitting his views on the debates on the form of local government 28 March, 1995

91 Amana Mushega (Delegate for Igara East in the CA) contribution on the debate on the motion on local government. See proceedings of the Constituent Assembly 29 March 1995

92 Amana Mushega, CA Proceedings 28, March 1995.

semi-federal arrangement to the definition of concepts of decentralisation versus federalism, and to the practical outcomes of adopting either system. The first argument was that in the 1960s, the federal arrangements under the 1962 Constitution created a special status for some regions; the rest of the country was ruled on the basis of decentralisation. The pro-federalists were challenged if they could articulate a federal arrangement that covered the whole country. Amanywa Mushega (CA delegate) posed questions:

What criteria are we using for creating either district or region? Are we going to use tribe, are we going to use culture, are we going to use geographical features? This has to be clear. And I want to say here that, if the federalists would articulate their programme covering the whole of Uganda, then their case would be easily followed⁹³.

In this connection, it was argued that the principle had been agreed that power be given to the people and the unit to be used was the district. And that the principle for giving power to the people was decentralisation. Hon. Amanywa Mushega (CA delegate) argued that the regional tier had no basis.

He used an analogy to demonstrate his support for decentralisation, thus:

To say that my child, I am giving you, but let it go further to your aunt, then to your mother and your brother, by the time it reaches you, then it will be contaminated. Why not give it directly?⁹⁴.

The argument shared by the supporters of decentralisation in this regard was that as much power could be devolved to the district so that it gets sufficient power as a federal state would have, without creating a regional tier.

93 Wandra Ogalo (Delegate for Bukhooli South to the CA) contributing to the local government motion in the CA, 28 March 1995. (CA Proceedings March 29, 1995).

94 Damiano Lubega (Delegate to CA, Rubaga Division South) contribution on local government debate in CA, 28 March 1995.

The issue of administrative costs also was considered and debated in the Constituent Assembly. Some delegates argued that the regional tier would increase the costs of administration leaving less resource for development. It was further argued thus, „the national cake” we are talking about, we are not serious. These institutions will eat up the whole “national cake”, I do not think we can afford it”⁹⁵.

There was also lack of understanding of the differences in concepts of decentralisation and federalism. Some delegates in the CA viewed decentralisation as just a mere process which can be adopted through unitary system and federal system. Other arguments in the CA initiated proposals that instead of using concepts like “decentralisation” and “federalism”, a “neutral” word “devolution” should be used instead.

Implications for the Debate on the Nature of Local Government

In the final analysis, two positions emerged from the constitutional debate about the nature and character of the local government that was adopted for the new Constitution. The principle of decentralisation was adopted as the basis of local government system in Uganda. At the same time, it was agreed that districts which wished to cooperate for purposes of cooperation in development and culture could do so by coming up with a charter for that purpose. Federalism was defeated not because it was not desirable but it was deemed to take power further away from the people. There were also political undertones that undermined federalism⁹⁶. It is also understood that by the NRM government introducing decentralisation in the period preceding the Constituent Assembly, it had thrown “bait” because most local leaders at the district level had begun to enjoy autonomy and power, which they would guard jealously. This seems to have significantly reduced the popularity of the federal option.

95 Besweri Mulondo, contributing to the debate on the motion on local government in the CA (CA Proceedings 29 March 1995)

96 It was viewed within the circles of the NRM that some delegates who subscribed to multiparty form of governance as opposed to “no party” of the NRM had supported some Baganda delegates on federalism for political convenience and not convictions.

Democratic Decentralisation in the Context of Democratisation

The irony of pursuing the goals of democratic decentralisation in Uganda is that the debate in the CA and other policy initiatives ignored the centre, which had since 1986 functioned based on one dominant political player; the NRM (Movement) and its leader Yoweri Museveni. The NRM held in power under a *defacto* one-party system which its proponents called a “no party” or “movement”. Some critical observers noted that it simply meant no other political party had a role in the governance of the country⁹⁷. Ignoring the semi-democratic tendencies of the centre had implications as to whether the local structures could be truly democratic or not. Thus, it appeared paradoxical that one could talk of a democratic local governance when the centre is undemocratic. The point here is that while most donors and some local observers tended to generously appraise the participatory nature of local governance system in Uganda, they intentionally ignored the limitations imposed by centre on local avenues of participation. This could partly be because the country had had a notorious legacy of murderous regimes in the past (i.e. before 1986). The measurement and appraisals of the decentralisation policy and its political performance under the NRM are usually gauged on the basis of the past regimes. If anything, the local council system has forged a place for the NRM to gain credentials on the “democratisation” plane. However, only recently have some critical insights began to emerge. Tripp, for example has observed:

As many African countries moved towards electoral democratisation in the 1990s, Uganda remained essentially authoritarian, but incorporated democratic innovations in varying degrees. To portray a semi-authoritarian state like Uganda as a country without oppression is to gloss over numerous continuing violations of rights of association and free speech⁹⁸.

97 Nelson Kasfir (1998). The World Bank (www.worldbank.org/participation/webfiles/Uganda) *ibid.* also observes that NRM was a one-party system which was not threatened by prospect of losing elections.

98 Aili Mari Tripp, “The Changing Face of Authoritarianism in Africa; The Case of Uganda” *Africa Today* Vol.50, no 3. (2004:p4).

Tripp argues that although the leaders of the current regime in Uganda may not be compared with the notorious dictators like Idi Amin, Bokasa, Macious Nguema and Mobutu, the extent to which they have monopolised power, extended patrimonial rule is “reminiscent of African authoritarian regimes”⁹⁹.

According to Tripp, in “semi-authoritarian states like Uganda; there is a new game in town”.¹⁰⁰ Basically, distinguishing semi-authoritarian and authoritarianism is a matter of degree. Uganda is under a semi-authoritarian regime in which the ballot box has little chance of changing the top leadership. This complicates the task of labelling the policy reforms for example, decentralisation, as democratic. It is a fact that organising autonomously outside the framework of the state is either suspect or circumscribed. In the framework of centre- local relations, power was conferred to local government. This means, at least theoretically that local governments are free to do whatever is legally right at the local level. On paper, the underlying assumption under these relations was that the centre and local authorities would be in constant engagements and consultations. What has emerged over time is that the local authorities are growing accustomed to receiving directives from above which they have to implement. This tendency has its own implications. It means that the local authorities are increasingly more conscious of being accountable to the higher authorities, which undermined accountability to the people below the very basis of decentralisation. Equally, so these tendencies have either undercut or compromised the independence and autonomy of the organised groups in civil society. They too are aware that not only do have they to declare their budgets and programmes to the authorities, they have also to tread lightly on matters considered “political”, otherwise, their registration is revoked or they are banned altogether. Thirdly, the legacy of state dominance runs through the whole structure of government. In the early years of RCs, the whole governance system was open to every citizen. At that time, the NRM stance was anti-sectarian. The idea was that since political contestation

99 *ibid*, Tripp, p. 5 100 *ibid*, Tripp, p.6.

100 See the report by Marios Obwona et al (2000) Fiscal Decentralisation and Local Government Finance in Relation to Infrastructure and Service Provision, NALAD and EPRC in conjunction with DANIDA and the World Bank. They argue that accountability has been undermined at the local level by two factors (i) reduction in local revenue and (ii) over – dependence by local governments on central government grants. Article 70 of the Constitution of the Republic of Uganda, 1995.

was on the basis of individual merit, no one would be excluded on the basis of race, tribe, religion, gender and so on, from achieving a political position in the whole structure of government. This has changed greatly. During the elections of local councils (1989, 1998, 2001) the NRM secretariat bankrolled some candidates contesting for chairmanship at LC5 and LC3. This was meant to ensure that the local leaders at those levels remained loyal to the Movement. The question is, if the Movement, as it claimed had been “broad based, inclusive, non-partisan” espousing the principles of “participatory democracy, “accountability”, “transparency” and ensuring every Ugandan had access “to all positions of leadership” and such, access was based on “individual merit” in elections; why then would the NRM have sponsored specific candidates? This indeed is the extent of the contradiction that the NRM has ushered and finds itself in. The important point is that it has created ambiguity, and in some cases, a sense of oppression amongst those who wished to associate freely and to organise politically, independently of the state party, which is not allowed by the Constitution and other laws. Broadly, democratization is achieved only when the people are assured that they can organize freely, they can vote freely and elections can put the government of the day at risk. Fourthly, the principles of decentralisation and the basis on which centre - local relations were constructed in the case of Uganda’s policy, presuppose the idea of citizens’ **voice** and exit **options**. People’s voice assumes that the population is empowered through decentralisation and less government involvement in many activities at the local level. This would mean that the people are the masters of their own destiny. They organise, plan and execute those projects beneficial to their own lives. The Constitution of Uganda article 1 states “All power belongs to the people who shall exercise their sovereignty in accordance with this Constitution”. This idea of people’s sovereignty is operationalised by article 176 (b) of the Constitution which says: “decentralisation shall be a principle applying to all levels of local government and in particular, from higher to lower local government units **to ensure peoples participation and democratic control in decision making**” (emphasis added).

This provision is the constitutional basis of people’s voice in local government matters. The question however is to what extent are the people involved in decision making? We observe that people’s enthusiasm about attending village council meetings has waned. In cases where voluntary at the same time, the evidence from the research shows that people’s organisations

or community based organisations (CBOs) such as reciprocal saving and lending trusts have no linkage with the system of local government. Some suggestions that decentralisation would renew the spirit of communal work locally known as “bulungi bwansi”- (for the good of the nation) are over-optimistic¹⁰¹. Instead, what has happened is that decentralisation has created the impression amongst the ordinary citizens that their taxes which are paid to local government if not misused by local government officials should be sufficient to pave roads, provide safe water and build schools. A new terminology which weakens the spirit of decentralisation has evolved. It is “*nfunilawa?*” which means “where do I gain?”

The culture of “*nfunilawa?*” resulted from many years of economic austerity in society where everyone had to fend for himself by doing all sorts of things to survive or gain. According to Brett, this created a “society in which everyone was involved in enterprise culture - whether legal or illegal, formal or informal”¹⁰². This tendency has had both positive as well as negative effects on the social behaviours of citizens. They hold a strong belief that whatever one does, he or she has to gain, which is individualistic in nature and opportunistic in orientation. On the negative side, the citizens’ view local government officials as motivated by self- interest and gain in whatever programme they happen to design for the community. There is a sense of mistrusting public officials and their motives. The public officials are perceived as having ulterior motives. This belief is reinforced by rampant corruption and lack of accountability in the public arena, nominally termed as “eating”¹⁰³.

The implication of such perceptions is far reaching. It negates voice options, undermines people’s zeal to demand accountability from public officials and sometimes leads to lack of interest in public affairs (apathy) as well as participation in and maintenance of public projects. As the findings of this

101 Mohammed Kisubi “The process of decentralisation” in Petter Langseth and Justus Mugaju (eds) Post Conflict Uganda: Towards an Effective Civil Service Kampala, Fountain Publishers, 1996

102 E. A. Brett, “Creating the basis for democratic transition in Uganda: the problem of governance” in P. Langseth. This culture, according to Brett partly contributed to the of NRM’s acceptance of liberal economic reforms, which it had resisted initially when they came to power

103 “Eating” means gaining from underhand activities of the officials. The opposite of “eating” is “starving” meaning that the public office one occupies does not offer loopholes for “eating”.

study demonstrate, there is very low citizen participation in local government projects. It should be noted that the exit options for ordinary citizens at the local level are also limited. The limitations arise from a number of factors; first, the state structure at all levels is intertwined with the “party” structure of the NRM. This implies that alternative political agenda that can be pursued by citizens who may wish to do so, is limited. Secondly, the idea that decentralisation allows citizens at the local to choose from available options in services is tenuous. High levels of poverty in the country - 38% of Ugandans live on less than one United States’ dollar per day. Thus, even when the state has created opportunities for private sector competition and reduced its over-arching role, this has not necessarily translated into better access to goods and services for the ordinary citizen. The purchasing power is simply too low for the majority of citizens.¹⁰⁴

The above concerns are known to policy makers in the government¹⁰⁵. However, they remain optimistic, hoping that decentralisation will bring decisions closer to the population and permit better communication between the service providers and the population. The government also believes that with time, the people will be more willing to co-fund production of services because they will be able to appreciate the value of the service to them as individuals and communities. The government hopes that attitudinal change will occur over time¹⁰⁶. However, more than ten years ever since decentralisation was launched, awareness about decentralisation has increased but attitudes and perceptions about what government does or should do have changed slowly. Due to these inherent weaknesses, the state became pervasive and remains the only source of power in society¹⁰⁷. Alternative organisations were (and are still) suspect by the state, which created a sense of fear and at times resistance within the population. For example, in the aftermath of the 2021 elections, government took a decision to ban the activities of

104 Recent statistics indicate that 12.3 million Ugandans (31percent) live below the poverty line of USD 1.77, per person, per day. UBOS report 2021.

105 Interventions by government with programmes such as *emyooga*, Parish development model have had limited success, so far.

106 A. Regan, “Decentralisation Policy: reshaping state and society” 1998, in Holger, B. Hansen and M. Twaddle, Developing Uganda. James Currey. London 1998.

107 See Susan Dicklitch and Doreen Lwanga “The Politics of being non – political: the human rights organizations and the creation of a positive rights culture in Uganda” Human Rights Quarterly Vol 25 No 2, 2003

Democratic Governance Facility (DGF)-that funded several government and non-government organisations.

Fiscal Decentralisation

The linchpin of decentralisation lies in the fiscal arrangements made for central and local government. This becomes particularly important if such arrangements providing for revenue sharing, collection and spending powers are constitutionalised thus, they are backed by statutory instruments in terms of regulations, rights and discretions. One important thing to note about Uganda's centre local relations – particularly in respect to fiscal and financial arrangements is that they are embedded in the Constitution. First, article 180 of the Constitution provides,

A local government shall be based on a council which shall be the highest political authority within its area of jurisdiction and which shall have legislative and executive powers to be exercised in accordance with this Constitution.”(emphasis added).

This is imperative because it declares a local government council as a **fully-fledged government**. For this purpose, each local government has a legislative body (council) with its own speaker as its leader. A local government also has its executive (cabinet) with the chairperson as its executive head. The voters directly elect all councils in the constituency of a particular local government. The chairperson amongst the elected councillors nominates the executive. Nominated persons for cabinet are subject to approval by the council. In short, there is a sense of democratic practice in this process.

A local government may be rural or urban. For rural district, there are urban councils (towards municipalities) as well as lower rural local government known as sub-counties. It is important to note that although municipalities and towns (urban councils) are lower local governments i.e. below the district, the district council does not control them directly. They are local councils in their own rights, with their executive (cabinet) and responsibilities. In other words, although urban councils are lower local government in relation to the district, unlike the rural sub-counties, they are not functionally subordinate to the district councils. In fiscal terms, urban councils receive their grants directly from the government, collect revenue and expend it according to their

own priorities.

The second aspect to note is that a local government council is designated under the Constitution and the Local Government Act 1997 (section 7) as “a body corporate with perpetual succession and a common seal, and may sue or be sued in its corporate name”. In other words a local government has a legal personality¹⁰⁸.

The motivation of the central government to decentralize powers to local government in Uganda was based on three inter-related factors: It was envisaged that local councils were the most appropriate institutions to take more relevant decisions for the people and understand their problems better than the distant central government. Secondly local councils would be more responsive, accountable and effective in the provision of public services. They would listen and respond to people’s demands and queries in a more timely manner. This would increase people’s willingness to co-produce services with government agencies. And more important, the willingness by the people to pay taxes would increase since the value for the money would be seen in terms of services provided by the local government. Thirdly, elected local councillors would have a strong sense of responding to the problems of their constituents since that is the only way they would reclaim their votes at the next elections.

The above premises have always been laid down in most decentralizing countries¹⁰⁹. At issue in Uganda’s fiscal decentralisation programme are factors that does not rhyme well with the principles laid down in the Constitution and the statutes which need to be critically examined.

The Constitution and the Local Government Act specify three types of grants to be given by the central government to local governments: ***unconditional***

108 In Uganda, there are 146 districts. There are 10 cities, 13 municipalities and 66 Towns. There are 903 sub-counties. All these are local governments. There are other councils, which have no local government status. These include country, parish and village. These are designated as administrative Councils.

109 See Jannie Litrack, Junaid Ahmad and R. Bird, Rethinking Decentralisation in Developing Countries Washington DC, The World Bank, 1998. For an excellent treatment of fiscal decentralisation, Roy Bahl, “How to design a fiscal decentralisation program”, and Paul Smoke “Strategic Fiscal Decentralisation in developing countries” both in Shahid Usuf et al (editors) Local Dynamics in an era of Globalisation Washington DC, the World Bank 2000.

grants, conditional and equalization grant. Unconditional grant is given as a minimum grant to the local government to run decentralized services¹¹⁰. Conditional grants are given for services agreed between the central government and local governments so that they are provided by the local governments. The conditional grant may not be used for any other purpose apart from the one for which it is provided. Equalisation grants are given to those local governments lagging behind the national average standards in service delivery. They are special grants provided to cater for that kind of shortfall.

Apart from grants provided by the central government, the Constitution (article 191) and the Local Government Act (section 81) empower local governments to levy taxes and rates which include: graduated tax, stamp duty, registration fees, property tax, cess and any other tax approved by the local councils in its area of jurisdiction.

Despite the detailed sources of finance for local governments, most of them have experienced cash flow problems stemming from inadequate government funding. Although in comparative terms, the funding of the local governments by the government have increased, the collection of local revenue has been declining. The central government funding has increased from Uganda Shillings (Ushs).241 billion in 1997 to Shs.688 billion in 2003, representing an increase of 185 percent¹¹¹. During the same time, most local government's own revenue had declined.¹¹². The decline in the local governments' revenue is attributed to a number of issues. Local government tended to over-rely on one key source of tax, that is graduated personal tax, paid by each adult male of the age of eighteen years and above and a woman of similar age, in gainful employment. This tax contributed the bulk of tax revenue for all district local government and urban councils, including Kampala City Council until recently when it created other sources. The graduated tax was very sensitive to political "temperatures" to the extent the

110 Constitution of the Republic of Uganda article 193, unconditional grants are given basing on the formula provided in the Constitution schedule 7.

111 Martin Onyach-Olaa "Local Government Planning and Budgeting in Uganda: A survey of issues" in Basic Principles of Decentralisation,, Uganda Management Institute (Training Manual) 2004.

112 Ibid , Martin Onyach-Olaa, p 29.

whenever there is an election, the incidence of taxpayers avoiding it is very high¹¹³. It is also generally understood that graduated tax was a regressive tax. It was collected harshly by local chiefs and resented by local people. It is also costly to collect in addition to being unproductive¹¹⁴. One important observation that is pertinent to make is that local governments have not been innovative in terms of creating avenues for getting their own revenues. This has created a dependence syndrome on the central governments funding for most of the local governments activities. The local governments on their part argue that the centre retained most of the lucrative sources of funds such as sales tax, customs duty, motor vehicle registration, value added tax and many others, leaving local governments with trivial sources of income. The local governments further argue that the central government wants this status quo so that it may control local governments indirectly. The latter argument may hold some truth because whereas central government funding to local governments has been increasing as indicated above, the bulk of it has been in terms of conditional grants – which are tied to the government's own priorities and leave no flexible discretion for local governments' use. It has been noted that in 1997 there were only ten conditional grants which have since increased to thirty two by 2004. There is no doubt therefore, that increased central government's funding to local governments has increased finances available to the latter, albeit reduced their discretionary powers and autonomy. A local government in a decentralized system of governance can only assert itself vis-à-vis the central government on the important issues only

113 Since 1996 there have been several national and local elections, which have played a great part in the incidence of tax avoidance.

114 Ian Livingston and Roger Charlton, "Financing Decentralised Development in a Low Income Country: Raising revenue for Local Government in Uganda" Development and change vol 32, No 1, 2001. These authors argue (pp 87 – 90) that the regressiveness of graduated tax increases tax avoidance and in some cases it causes riots, eg the Iganga riots of 1994. One member of parliament in 2003 has drafted a private members bill (Ekullo Epak, MP) (which is not yet debated) seeking abolition of graduated tax. See also, Mette Kg Mette Kjaer "The Dynamics of Taxation, reciprocity and Service delivery: illustrations from the Ugandan districts" Paper prepared for presentation at Makerere Institute of Social Research November, 2003.

⁴³⁹ Opcit., Martin Onyach-Olaa, p 31

if it is self-sufficient financially. Conversely if the local governments are on the arm-string of the centre, they will have little option, but to be subservient and weak. This will have the net effect of defeating the principle of purpose and spirit of devolution.

It would also be unfair to some extent, to apportion blame for the failure of the local governments to raise sufficient local revenues without critically examining the role of government. Whereas the law allows local governments to collect revenue from various sources at the local level, the attitudes and interests of the ruling party leaders and cadres have discouraged some individuals and groups from paying certain taxes. A clear example is the tax levied on motor bike transporters locally known as **boda boda**. These are popular and numerous in most urban areas helping the poor youth to gain some living by transporting passengers to various short-destinations. Most urban councils including Kampala City Council levied a fee on them, payable per year. In the case of KCC it was Shs 10,000 per month for the license for each motor bike. Because these lumpen proletariats have always tended to vote with the opposition, the NRM leaders, including President Museveni directed that **boda boda** transporters should stop paying taxes to urban authorities claiming that they were “exploited” and “harshly treated” by the tax collectors. As Ademolekum observes, the problem in some African states, especially in dominant party states, most of the leaders in government (both central and local) owe their positions to the ruling party. Uganda under the NRM has been a dominant party state and thus, the national leaders have tended to ensure that the influential leaders in local governments share their ideology so that there is little opposition to the ruling party. According Ladipo Ademolekum such tendencies have made the difference between devolution and deconcentration less meaningful. Opposition groups claim that Museveni in issuing such orders is seeking popularity from such groups. Nevertheless, Museveni has never been popular in Kampala. Instead, his party has been consistently losing elections in the city¹¹⁵. The presidential directive was not negotiable. It did not leave room for local councils to reconsider their methods of tax collection or even to reduce the tax. It only slapped a ban on that tax. This may have the effect of discouraging other taxpayers from attending to their tax obligations.

115 Lidipo Ademolekum, “Promoting African Decentralisation” in Public Administration and Development Vol 11, 1990, p 286.

The insufficient funds available to local councils have affected intergovernmental relations amongst local government themselves. The principles enshrined in the laws provide for sharing revenues and responsibilities among the various layers of local governments. For each district local government the locally raised funds are supposed to be shared as follows: the lower local government-sub-county retains 65% of all revenue it collects in a financial year. It remits to the district 35% of the revenue collected. Then, the remaining 65% at the sub-county level becomes 100%. Of this amount, 25% is remitted to all village councils, 5% is given to parish council and another 5% is given to the county council. In the urban areas the formula is different. A division¹¹⁶ in the urban area retains 50% of the revenue collected and remits 50% to the municipal or the city council. After receiving these funds from the divisions, the municipality or city has statutory obligation to give a grant of 30% to divisions, from the funds it has received¹¹⁷. In the same spirit, the law provides that each division gives the village councils 25% of its total collections as well as the grant received from the municipal or city council, and 10 percent parish councils. The principle of revenue sharing is based on the idea that since each local government and administrative unit has specific functions to perform, it should have resources to manage its own affairs. In fiscal terms, the cornerstone of the principle is to encourage the citizens to pay taxes and benefit from them through projects initiated at the local level. With the decentralized funds shared by multi layer units of local government and administrative units, this also has the element of encouraging multiple centres of accountability.

Nevertheless, there have been problems with the distributive principle embedded in the decentralisation system in Uganda. Most district and municipal local governments have increasingly become dependent on central governments grants for financing their budgets and programmes. As noted earlier, local revenue sources have been declining in actual terms. This has

116 A division in the urban area is equivalent of a rural sub-country.

117 The Fifth Schedule of the Local Government Act 1997, provides a formula to be followed by the city or municipality in providing the grant to divisions, regulations 14, 15 and 16 of the schedule. Fifth Schedule of the Local Government Act, regulation 14 (2)

meant that district or municipal governments have not been, in many cases, able to meet their distributive responsibilities, as the law requires. In Kampala city, this researcher found that the last time the village councils received the 25 percent grant from their divisions was 1998. Most of the division finance officers at the division level blamed it also on the failure of the KCC to remit to divisions the statutory 30 percent. Therefore, the problem seems cyclic, embedded in the web of accusations and counter-accusations.

There has also been a persistent complaint at the local level, especially at village level, that even when the 25 percent is remitted, it ends up in the “pockets” of the local council executives who claim it is used for office expenses and “official” duties such as travel and meals for the executives. The executive members claim that the amounts remitted are usually too small to initiate meaningful projects at village level. In some villages, even the whole executive may not know that the 25 percent remittance was made, some chairpersons have ended up putting it to personal use¹¹⁸. The result is that, fewer people are willing to pay taxes, which has greatly weakened the financial resource base of local governments. It is also noted that even local council officials, not only avoid payment of taxes, they encourage their relatives and other prominent people in their villages not to pay. Thus, the materially better off people in the villages are the leading tax avoiders. In turn, the peasants and the poor attempt to avoid taxes too.

Urban authorities have a relative advantage over rural areas in terms of revenue sources. These include licenses, property tax, service charges and many others. Despite the existence of such sources for local revenue, most urban local governments have not been able to exploit them fully. For several years urban authorities had become accustomed to relying on government subventions and donor funded projects, such as the Uganda Support to Municipal Development Improvement Project (USMID) funded by the World Bank to provide urban infrastructure and capacity building for decentralised services.

Although it is known world- wide that property tax has always constituted the main source of revenue for urban authorities, as indeed it used to be the case

118 This researcher did not follow up the issue of local level transfers of funds with administrative units. In the rural areas most sub-countries have not had a problem with district authorities in sharing revenue as the sub-country is the collecting centre.

in Uganda before 1972, this source of revenue declined significantly over the years due to hyper- inflation, absence of up-to-date valuations, failure to enforce tax collection by the authorities, and unclear ownership of properties within most of the urban areas.¹¹⁹

The urban authorities have awakened up to various sources of local revenues. Parking fees, licensing, revaluation of properties for tax purposes, and market fees are the main sources of revenue for urban authorities. Also, most urban authorities have introduced private tax collectors, who act as agents of the local authorities for commission on amounts collected for the latter. On the other hand, rural district local governments have continued to rely more heavily on few sources of local revenue e.g. market dues, cess, licences, hotel tax etc. They have a problem with the idea of imposing a tax on rural land and houses because such a move would not only be unpopular, it would also be politically explosive. Besides, 90 percent of the poor people live in the rural areas. Imposing a tax on their small properties could aggravate poverty and be counterproductive to government efforts to fight poverty. At the same time, the rural rich people pay less tax compared to the urban poor in Uganda. A suggestion by the Local Government Finance Commission (LGFC) that possibilities should be explored to the effect that the rural rich people with large pieces of land in rural areas, large herds of livestock and businesses pay more tax has not been effectively explored¹²⁰. Furthermore sales tax – a tax imposed on consumers as they purchase and consume goods and services, which would be an effective source of revenue for local governments does not apply in Uganda. Moreover, when local governments introduced service charges in dispensaries and other service providing institutions, they were ordered by the government to suspend it indefinitely during the

119 The problem with property ownership in most urban areas in Uganda was that most of the properties belonged to the Asians and other foreigners who were forced out of the country by Idi Amin in 1972. The Care-Taker body the Departed Asians Properties Custodian Board (DAPCB) defaulted on property tax payment to local authorities almost on all its properties. The properties have been returned to their rightful owners under the current government has streamlined ownership and eased matters for tax collectors in urban authorities.

120 Local Government Finance Commission “Fiscal Decentralisation in Uganda today” Commission report No 2. March 1998. The commission had suggested that a tax called “rural enterprise tax” be introduced for the rich people.

presidential elections of 2001¹²¹. Due to limited sources of revenue, most local governments, rely more on central government grants than their own local resources. This has limited their flexibility in determining their priorities, thus, they tend to act as if they were mere conduits of government funds and programmes. For example, the former chairperson of Mukono district complained at the ***National Forum for Implementation of Decentralisation*** (Kampala, June 18 – 19, 1998) that “More conditional grants will simply erode people’s power to make decisions which affect them directly”.

The spirit under which fiscal decentralisation was conceived and implemented in Uganda was driven by the principle that decentralisation would promote equity, efficiency, and poverty reduction in society. One of the key considerations was that some areas had lagged behind others in development and service delivery. From this point of view, the central government considered the idea of ***equalization grants***. These grants constitute monies paid out by the central government to local government as subsidies or as special provision for least developed areas, based on the degree to which the local government of that area is lagging behind in the national average standard for a particular service or services. The Local Government Act 1997 stipulates that the local government councils should make requests for and indicate how their councils would use equalization grants. For some years, equalization grants were not given owing to the condition that average service standards had not been established. The government commissioned a consultancy study, which has established service standards. A few local governments have gained access to this grant in recent years.¹²² The Local Government Finance Commission has been working on a review of formulae for different grants. The aim of the LGFC’s involvement in grant allocation principles and formulae is to limit the influence of strong politicians and local government lobbies in the whole process of allocation, which could lead them to gain unfair advantage over others.¹²³

121 President Museveni who was a presidential candidate in 2001 ordered all authorities especially in health sector to halt the service charge in all government health facilities.

122 Equalisation grants were paid out in 1999/2000 following a study by the LGFC. It is now providing subsidies to 34 districts and 40 urban councils. During the FY 2001/2002, Shs 4.33 billion was transferred as equalization grants. Local Government Finance Commission “Fiscal Decentralisation Strategy” 2002.

123 Lawrence Banyoya “Financing of Decentralisation in Uganda” in Basic Principles of Decentralisation UMI, 2004

9. THE LINK BETWEEN DECENTRALISATION AND ACCOUNTABILITY

The success or failure of the design and implementation of any fiscal decentralisation programme depends on whether or not it produces a feeling within the community that they will gain from the changes brought by the process, they are participating in decision making, they receive sufficient feedback on what the government does, and trust their elected and appointed officials. The benefit of this process would include greater empowerment, effective representation, participation by all groups (inclusion) tangible benefits to the community and signs of poverty reduction¹²⁴. More so, an accountable system of local government should be responsive, sensitive and answerable to the needs of the population it is created to serve¹²⁵. In addition, accountability assumes vertical and horizontal linkages in the whole structure of the government¹²⁶. Vertical linkages are based on the upward accountability, that is lower local governments to higher ones and onward to the central government. But this also involves the central government attending to its obligations, so it is a two-way process. Horizontal linkages on the other hand, involve intergovernmental relations at the local level as well as their relations with the local communities and groups. The bending thread in the whole process of governmental relations with communities and groups is the idea of trust¹²⁷. Citizens will trust the government only if they believe it will act in their interest, feeling that if they engage in the activities of public good, the government will reciprocate by providing support to the community, groups and individuals. In a cyclic momentum, there is a kind of "give and take and give process in the conduct of public affairs on both sides. The linchpin of this process is the bureaucratic elite who should

124 Harry Blair, "Participation and Accountability at the periphery: Democratic Local Governance in Six Countries" in *World Development* Vol. 28, No 1, p 23, 2000.

125 Keshai C. Sharma "The Capacity, Autonomy and Accountability of Local Government in Local-Level Governance: The case of Botswana" in *Regional Development Dialogue* Vol 18, No 2, 1997.

126 M. Shamsul Haque, "Local Governance in Developing Nations: Re-Examining the Question of Accountability" in *Regional Development Dialogue* Vol 18, No 2, 1997.

127 V. Braithwaite and M Levi (eds) *Trust and Governance* New York: Russell Sage Foundation, 1998

be accountable for performing decentralized functions efficiently, providing the necessary services to the communities, and working towards satisfying the needs of the various social groups. At the same time, the existence of the elected bodies of representatives serves to strengthen the bond between the local governments and the people. This is particularly so, if the electoral system caters for various groups to participate in the choosing of their representatives. Socially marginalized groups should be able to gain a voice in public decision making¹²⁸. The idea behind representation is that the representative will hold bureaucratic officials accountable. Representatives will also have interest in bargaining with fellow councillors to get programmes and projects done in their constituencies, and these are likely to be more effective and successful since the local communities stand to gain from their proper implementation.

In Uganda's case, decentralisation laid the foundations for local accountability by the decision of the government to decentralise the personnel function, financial management, creating elected councils and devolving service delivery responsibilities to the local governments. The argument of the government is that decentralisation creates opportunities for people to see the "value for money", that is their taxes. Thus, behind the logic of the government's thinking is that there is a likelihood of a greater correlation between service delivery and people's willingness to pay taxes, obey laws and cooperate with government in development activities.

The constitution of Uganda, the Local Government Act and The Local Government Financial and Accounting Regulations require that public officials be transparent, accountable and responsive. For example, local governments accounts are supposed to be public and accessible, the public accounts committee of each local government is supposed to scrutinise the expenditures and ensure that funds were properly expended. The administration of the local government has no powers to spend any money unless sanctioned by the council.

128 For example, in Uganda, the Constitution requires that at least a third of each local council must be women. Each local council must also have representatives of the persons with disabilities.

These regulations and procedures notwithstanding, the original intention of the government to create accountable administration at the local level seems to be at variance with the extent of graft existing in the local government today.¹²⁹ The Local Government Finance Commission (LGFC), a body charged with the responsibility for intergovernmental finance matters. The LCGF noted that while the government created an adequate institutional framework at local level for promotion of trust, confidence and accountability, that would lead citizens to know how their resources are used, decisions are taken and which projects are planned and implemented, “unfortunately very few local governments practice such public accountability”¹³⁰. The LGFC report concludes, “Without trust therefore, there is no basis for social cooperation and voluntary compliance with laws and regulations that would ideally benefit everyone”¹³¹¹³². Thus, there is a link between the levels of accountability on the part of local government on the one hand, and on the other the willingness to pay taxes, cooperate in public projects and to obey laws on the part of the citizens. The Local Government Finance Commission strongly associates the declining local revenues of local government to failure by the latter to be adequately accountable and to deliver services to the population. As pointed out earlier, local revenues of local governments have declined to nearly a half of what they were nine years ago. The Local Government Finance Commission shows that in 1998/99 financial year, all local governments collected Shs.109 billion but by 2001/2002 financial year it had declined to Shs.78 billion¹³³. As a result, the composition of local government funding stands as follows: central government transfers 80%, contributions by non-

129 New Vision . . . For example, it was reported that KCC was failing to account for Shs. 1,5 billion. The Town Clerk of KCC failed to give satisfactory accountability for it to the Public Accounts Committee of parliament on three times he appeared before it.

130 LGFC, Mobility and Generating Local Revenues, a report of a workshop, February 2003, p. 12

131 Ibid, LGFC report (2003) p. 11

132 LGFC Revenue Sharing Study, report no 6, June 2002, p. 55

133 Ibid.LGFC Revenue Sharing Study, report no 6, June 2002, p. 55

governmental organisations 12% while own local revenue is only 8%¹³⁴.

Although the local governments have become increasingly dependent on central government grants, it is not prudent to assume that the local governments are well founded and capable of providing services, as one of their key accountability to the people. The Local Government Finance Commission study found that local governments' financial problems are compounded by the deficit financing on the part of the central government. For example, the findings revealed that there was a funding gap of Shs.153 billion for all local governments if they are to deliver services efficiently and effectively. This gap exists even if all local governments were able to collect all their local revenues they need to be funded by government¹³⁵. The problem of under-funding stems from two sources. First unconditional grants were initially given to local governments without sufficient knowledge of what the services would cost local governments. Secondly as the government has continued expansion of services to be delivered at the local level, it has increased the number of conditional grants. This has burdened local governments since these grants are not within the mandate of the local governments to vary them or to adjust them for their local priorities. This has had the effect of undermining the essence of decentralisation, which is basically designed to serve local priorities. Besides, it has been reported¹³⁶ that conditional grants demand that local governments account for each of the various grants, which is time consuming and laborious, apart from creating a culture of top-down accountability amongst the bureaucrats, as it used to be the case before decentralisation. In this process, downward accountability is given less emphasis by the local government officials. This tendency has undermined the principle of subsidiarity, that is, the concept of getting decisions and accountability closest to the lowest level of local government. What the central government has tended to do in this respect is that it has created a system of "force – accounts" whereby it retains discretionary authority to initiate projects and programmes which it supervises and implements, letting local governments act as its principal agents.

134 LGFC report 2002, *ibid*, 54

135 *Ibid*. LGFC report 2002p.v

136 *Ibid*. LGFC report 2002, p. 57. It is noted in the report that thirty poverty action funds (PAF) transferred as conditional grants required local government officials at the district to make thirty separate quarterly reports to the ministry

According to Silverman,

Within the context of the top-down principal agency model, local governments exercise responsibility on behalf of central governments, or sometimes, parastatals. When acting as Principal Agents under such circumstances, local governments do so under the direction and supervision of central government agencies . . . The characteristics of principal agency . . . do not depend on the extent to which local governments are, or are not, autonomous with respect to any functions they might undertake¹³⁷.

Likewise, it is understood that for decentralisation to achieve its fiscal objectives of economic efficiency, improved accountability and resources mobilisation, citizen preferences should be reflected in budget outcomes at the sub-national level¹³⁸. Thus, in the case of Uganda, the aim of the central government appears to be the increasing use of local governments as principal agents for implementation of its own programmes. The problem however, is that when such programmes are not successfully implemented partly because they were not conceived at the local level by the beneficiaries, the central government blames local government officials for the failures and not itself or its own officials. As the Local Government Finance Commission study has aptly noted, there has been a tremendous increase in sector specific funding rather than integrated funding, as it puts it:

There is no discretion available to Local Governments within and between sectors in line with local priorities, which undermines the local ownership of programs. Sector guidelines and policies are often very rigid and largely by-pass local government structures. This results in lower Local Governments having little involvement in

137 Jerry M. Silverman Public Sector Decentralisation: Economic Policy and Sector Investment Programs World Bank Technical Paper No. 188 The World Bank, Washington DC, 1992, p. 2

138 Richard M. Bird and Francois Vaillancourt, "Fiscal decentralisation in developing countries: an overview" in Richard Bird and F. Vaillancourt (eds) Fiscal Decentralisation in Developing Countries, Cambridge University Press 1998

planning and little information about the services that should be delivered in their areas. The system therefore becomes unresponsive to community needs¹³⁹.

The report concludes "Local Governments heads of departments are increasingly operating as local officers of the line ministries, as opposed to officials working for the Local Government"¹⁴⁰. It has therefore been suggested that the whole system of grants be reviewed if a sense of community ownership of programmes is to be achieved and local governments are to gain sufficient and reasonable autonomy¹⁴¹.

Participatory Planning and Society-based Accountability

Local governments in Uganda were revived with a view that they can make a significant contribution to economic development, to revitalisation of the market and the empowerment of social groups and communities (including the marginalised ones). Thus, they are perceived as appropriate institutions for creating an atmosphere conducive to socioeconomic development as well as democratic governance in society. This is what has been termed "bringing power to the people". As it has been noted earlier in this chapter, the centre-local relations in the process of decentralisation aimed at leaving the centre with the responsibility for policy while much of the responsibility for service provision was devolved to local governments. At the same time, the idea also embedded in the process of decentralisation is that the higher local governments should not 'centralise' power, that is, they should let the lower local governments, community groups and private entrepreneurs play their part in production and provision of services. These ideas are derived from a neo-liberal adage that "a good government is one that governs least".

139 Opcit. LGFC, (2002) report of Revenue Sharing Study p. 57.

140 Ibid.LGFC, (2002) ibid p. 58

141 Ibid. LGFC (2002,) suggest that conditional grants and Local Government Development Project Funds be merged into a Development Transfer System (DTS) to increase local governments' access to discretionary funds which will cater for local priorities.

The underlying principles of Uganda's decentralisation are that (i) the community will be empowered to set its own priorities and demand for services they need rather than being determined and supplied by the government officials, (ii) the government officials will design services according to the priorities of the community (iii) by the community determining what it wants, it will be more willing to participate in the co-production of services and (iv) in this way the civil servants will be more responsive and accountable to the community they serve. The result is envisaged to be empowerment of the communities since they will be able to own and protect the service and see the value for their money. The real value for money is seen in terms of services provided by the government, which will encourage the members of the community to pay taxes and cooperate with the government. Besides, they will gain throughout the process of learning, to demand accountability from public officials¹⁴².

The other aspect of society-oriented accountability is the application of market mechanisms in the production and provision of services. This is the unstated objective of decentralisation in Uganda, but one, which has evolved, with the increasing application of the ideas of new public management in Uganda's public sector. Although Oyugi argues that privatisation is not part of decentralisation¹⁴³, the trends in Uganda's mode of service provision at the national and local levels have geared towards the market provision of public services. The market provision mode has gained momentum based on the argument that government is a poor performer when it comes to doing things that lie within the realm of the market such as trading, manufacturing etc. The market is seen as likely to be more responsive to the needs of society and because of market competition, assuming the citizens get enough information, are likely to get better choices and at lower costs.

A further argument is that a private entrepreneur is motivated by profit making, therefore he or she will have to cut costs of production and be more

142 James Katorobo, "Action Planning in Decentralisation" in Sorensen Villadsen and Francis Lubanga, *Democratic Decentralisation in Uganda*

143 Walter Oyugi, "Decentralisation for Good Governance and Development: The Unending debate " in *Regional Development Dialogue* Vol. 21 No 1, 2000

efficient¹⁴⁴. The process of private provision in Uganda at the local level has taken the following forms: contracting out, contract management and leasing out. The most common form is contracting out of service provision to private providers. This has been common with large infrastructural projects such as roads, school buildings, hospitals etc. The other form that is common is contract management. This is different from contracting out in a sense that this means that a structure or facility exists but is poorly managed by the government officials. The new arrangement is that a qualified and experienced manager is hired who runs services on behalf of the local authority so that it continues to provide services to the public while the manager gets a commission fee from government for his or her management services. The third form is leasing out. This has involved leasing out facilities to private operators. It has been more common with markets, public toilets, taxi and bus parks. Unlike the case of contracting management, leasing-out means that the leases pays a specific competitive fee to the local authority so that he or she operates the facility and gains profit. In this case, the local authority retains the power to inspect and supervise the facility, to see if the lease is maintaining standards and charging reasonably.

Studies have established that private provision, especially leasing out serves a dual purpose, first the facilities get better managed and attract more clients, and secondly, the financial returns to the local authorities increase. A study by the Crown Agents for the Uganda government¹⁴⁵ established that when Kampala city council contracted out the management of public markets in 1994, in the following year the income to the council increased by 23 percent from Shs.50.8 million to Shs.88 million per month, while it reduced operational costs by half from Shs.173.8 million to Shs.88 million per year.

144 Most of the services and goods whose value exceeds Shs500.000 and below Shs1,000,000 have to be procured through selective bidding. Goods and services whose value exceeds Shs 1,000,000 have to be tendered through competitive bidding by private suppliers. Robert J. Bennet, Local Government and Market decentralisation: Experiences in industrialised, developing and former Eastern bloc Countries United Nations University, Tokyo, 1994. also Tukalebwa G. B. "Privatisation as a Development Policy" in Hansen and Twaddle (eds) Developing Uganda James Currey, 1998

145 Crown Agents, Uganda: Enhancing District Revenue Generation and Administration Final Consultancy Report for Uganda Government (1996) contract No. 95 – 4387A

The market administrators were reduced from 215 to 35 employees. At the same time, the report indicates that vendors were attracted to take up more stalls in the market after contracting out. In Kampala City Council, this mode of service provision has generally shifted to private contracts. These range from tax collection, licensing, resurfacing of roads, supply of equipment and consumables, managing parks and facilities to cleaning and collection of refuse. This model has been replicated in most other local governments.

The process follows from the constitutional provisions, the Local Government Act and the Financial and Accounting regulations. The constitution provides for a tender board for each district responsible for receiving and evaluating tenders on their own merit. In most local governments any service or good whose cost is beyond Shs.1 million cannot be purchased in-house, it has to be identified and given to the tenderer to supply a good or service.

While market mechanisms of accountability may have improved the financial position of the local authorities, reduced bureaucratic bottlenecks and increased the participation of private sector in public sector provision, several flaws still exist in the system of service delivery at the local level. This author found that in Kampala the system of private provision is prone to abuse. First, the transparency of the tender board is questionable. Several respondents indicated that the membership of the tender board comprises the “friends” or political supporters of the mayor and not necessarily technically competent people to handle supplies and purchasing¹⁴⁶. It was argued that they do what the mayor or other influential members of the council wish them to. Thus, its independence and autonomy were in doubt¹⁴⁷. Secondly, the Local Government Act stipulates that any political or administrative leader in the district tenders, such a pecuniary interest should be disclosed to the council. Throughout the country, local politicians and civil servants have been using proxy companies to bid for tenders or to front for their relatives and political or business friends. It is common knowledge that the tendering process is

146 Vested interests of powerful councillors in securing tenders were reported. The case in point are the tenders given to an entrepreneur to manage the two most profitable markets of Owino and Nakasero in Kampala Central division. This act is clearly against the anti-monopoly laws.

147 There were more controversies of this deal which are not subject of this work. See also, the Local Government Finance Commission, Revenue Sharing Study (report No 6) 2002 p 54.

neither fair nor accountable. Some studies have revealed that this process “is seriously abused by (mainly local) politicians and civil servants”¹⁴⁸.

Thirdly, management of tenders has proved problematic. The bureaucratic officials at the division in municipalities and sub-county in the rural district complain that they are not directly in charge of implementation of the projects undertaken by the contractors because the latter owe their allegiance to the district officials who gave them the contract in the first place. There is also a wrong assumption found in several government reports and speeches made by government officials that the local communities “own” the tendered projects in their areas. To the contrary, the local communities are neither involved in the project designs nor in their supervision. An innovation in this respect was made during the implementation of the Local Government Development Programme (LGDP) funded by the World Bank and other donors to require every local government investment to originate from the parish investment committee which is required to identify local needs, prioritise them and come up with a locally-relevant project¹⁴⁹.

Under the LGDP guidelines a parish investment committee is required to carry out extensive consultations with the local communities in order to come up with an investment plan. It is also required to raise 10 percent of own revenue to co-fund the project in question, to match the funds released by the government. In addition, the parish investment Committee has to demonstrate that it possesses the capacity to oversee the project and has funds to cover the operational costs as well as sustaining the project in the long term. While the LGDP has put local infrastructure in place such as access roads, stand water pipes and drainage channels as this author observed in all divisions of Kampala, (and elsewhere in the country) the so-called participatory approach was glaringly missing. In the first place, the parish as a planning body does not exist in the local government laws. In the second place, the parish investment committees were not popularly elected. A few notables were hand-picked by local councillors to constitute the committees so that their parish does not “miss government money”. Of more importance, at parish level, there are no funds since a parish is not a local government but an administrative entity. It was revealed to me that in reality, the 10 percent

148 Local Government Finance Commission, Revenue Sharing Study (Report No 6) 2002, p 54

149 Ministry of Local Government, Second Local Government Development Programme (LGDP11): Operational Manual for LGs, Kampala, September 2003

co-funding for local projects is raised by the division authorities in order to get as many projects as possible in their area¹⁵⁰.

Besides, other problems of accountability have surfaced at the parish level. The parish investment committees have no funds to enable them oversee local projects, let alone, sparing a lot of their valuable time to supervise them. The reality is that as the division officials are planning projects for various areas in their jurisdiction, they approach the members of the parish investment committees to write minutes and sign them, which the division officials pick up as a “request” from the local community. The actual project designs and implementation schedules are done by the division officials. In any case, the so-called parish investment committees have neither the expertise nor the experience to design projects. Most local notables joined the parish investment committees with anticipation that in the course of projects getting to their areas they would personally benefit by getting some allowances, which has not the case with LGDP funds¹⁵¹. The principles behind these funds is that funding for projects should be demand-driven, that is, the community concerned should request for funds for a specific community need. Because of this principle, an operational and monitoring component is included in the funding for local government officials to oversee the implementation of the projects in their area. However, the parish investment committees do not share in these allowances although they are also supposed to monitor the projects yet it is part of work for which they are paid salaries. There evidence on the ground is that most of the local investments have lacked effective community participation and accountability to the “beneficiaries” is ubiquitously absent.

The contractors for local projects have been accused of doing “shoddy” work. Public outcry is all over the country that local contractors are cheating the public by putting schools without adequate cement and other materials, building roads which are washed away by rains a few weeks later, building drainage

150 One Key informant told me that the 10% of the funds the divisions raise for their LGDP projects is the reason why for most of the time, the 25% remittances to village councils have not been made, that, after all, they are “tapping” more money for their projects by payment of 10% co-funding for LGDP funds.

151 At the inception of LGDP, many members of the lower local councils had wanted to constitute themselves into investment committee only to find that the guidelines did not allow it. They had also anticipated to personally benefit from “allowances”. See MOLG, Investment Planning Guide for Sub-counties and Lower Councils Kampala, 1998.

systems with slabs and culverts of poor concrete mixtures which collapse as vehicles pass, to mention but a few examples, yet these works are more often than not certified by the local governments' engineers and the contractors are paid¹⁵². For example universal primary education (UPE) schools built in Soroti district under school facility grant (SFG) lacked adequate cement and were on the verge of collapsing over the pupils which prompted the minister in charge of primary education to order for their demolition. Another example observed by this author in 2003 was the Kazo road in Kawempe division –one of the five municipalities of Kampala where the culverts were breaking down and drainage getting blocked even before the work was completed. The contractor was however paid.

Several reasons have been given for lack of accountability in the local projects. The contractors complain that they receive a small fraction of the actual payment¹⁵³. They give a fraction in advance to local government officials so that they get assisted with the information regarding the tender, for example, the reserve price. This helps them to bid successfully because they have prior information. They also complain that to get the actual tender, a payment must be made to some of the influential members of the tender board. They say "there is no free tender". As a result, they provide less quality and quantity in actual work so that they can also make some profit. In other words, they fit the work within the money that is remaining after bribing their way through to get contracts.

On the part of the lower local government officials, the complaint is that they have little say over tenders because it is the district tender board which awards the contracts. They deny any involvement in the tendering process or receiving "kick-backs". Their argument is that they have no power to influence the tender board. They argue that they can not take bribes from prospective tenders because in case their bid is unsuccessful, it would back-fire on them. Notwithstanding their denial of corrupt practices, the local government officials do secretly share information with the prospective tenders that is why some of them resist transfers from one station to another. Transfer of

152 The then minister for Local Government Tarsis Kabwegyere has suggested that the whole issue of tendering should be revisited but no concrete proposals have been made to that effect.

153 A number of business people interviewed for this study complained of "kickbacks" to Local Government officials

a local government civil servant to another station means loss of “contacts”, which means “business” deals established with businessmen or women who supply goods or services to that station.

One middle level officer who had been transferred from Central Division to Makindye Division in Kampala confirmed to this author that when he was in the Central Division, he would build a house every year out of such business. He complained that Makindye division was “dry” and has no “business”. Such behaviours and “business deals” contravene section 79(4) of the Local Governments Financial and Accounting Regulation, which stipulates thus:

Councillors and members of the Contracts Committee and employees of the council are prohibited from being suppliers or contractors of the council either directly or indirectly.

Moreover, even for suppliers and contractors, the regulations require them to be people of proven integrity (section 74(c) of the Financial and Accounting Regulations). This only happens to be the written word. The reality is that connivance between suppliers and local government officials is rampant and much of it systemic and it is hard to detect. In this process, those parties involved thwart accountability.

Public Participation in Service Delivery

Decentralisation has always been advocated as “people power” and for inclusion of previously marginalised groups to articulate their views and contribute to decision-making processes. Thus, devolution such the one that is prevailing in Uganda over the last three decades is seen as an appropriate institutional framework for individuals and communities to express not only their preference in choosing how their needs can be met but also supporting or protesting the activities and behaviours of government and its agents. This process leads to an atmosphere conducive for the people to participate in government. It is also claimed that it empowers communities in decision-making processes. The programme of decentralisation in Uganda was conceived and implemented with the above notions in mind. The question however, is: to what extent have communities held local officials accountable? First, the government of Uganda has noted thus,

Accountability requires community level institutions where the quality of service delivered is discussed; and a link between these institutions and management of service. Service users must be able to insist on a good service.¹⁵⁴

The central government views the local governments in the perspective of involving local communities in the delivery of public services. This perception is held in the belief that “strong local democratic institutions” will help in attacking poverty in the following ways: first, representative local institutions will take pro-poor decisions and secondly, they should bear in mind that “lack of power is itself a dimension of poverty¹⁵⁵”. Thus, in its poverty action programme, the government intends to deliver services, which target the poor, and to improve the public perceptions and ownership of the local political and administrative processes¹⁵⁶. However, the government too, realises that there is “widespread dissatisfaction with public services⁴⁸³”, at the local level. A good example to demonstrate this dissatisfaction by the public with the services of local governments is the failure of the latter to plough back into market facilities in Kampala, which has encouraged the vendors to create their own market structures outside the established ones¹⁵⁷. It is one way used by the people disaffected with the work of local governments to allow people get an exit.

Secondly, other local government studies have revealed that “participatory planning and budgeting were apparently non-existent”¹⁵⁸ at the village level. Whenever some meetings are organised by local government officials with the local residents, the people perceive them as some form of teaching and not consultation¹⁵⁹. Although local residents are given room to ask questions

154 Uganda Government, The Poverty Eradication Action Plan (PEAP: Summary Version 2002) p 15.

155 *ibid*, p, 14

156 A study by Crown Agents, *ibid*, 1996 found that in Kampala area there were 46 illegal markets.

157 Uganda government Participatory Planning for Poverty Reduction (report) Kampala, 2000 p.4

158 *ibid*. report

159 *ibid*, report 2000

at such meetings, these could not be a sign of consultation because the agenda of the meetings are not circulated well in advance. The other problem is that the village residents do not debate issues in depth because the local officials do not supply sufficient information to them. Lack of information remains a serious handicap to effective participation by ordinary people in local government affairs in Uganda. Thus, although the government established structures to implement poverty reduction-strategies¹⁶⁰, the reality is that participation of the ordinary people in these programmes is minimal and remains a preserve of central and local government officials. The point of convergence in all these studies is that there is a rigorous demand for accountability at intergovernmental and intra-governmental levels. The third aspect of local participation and accountability is the role of the non-governmental organisations in local governance. The popular perception among local citizens is that of “organising” so that the NGOs, especially foreign ones can “give us something”. The idea is not necessarily to create associations for empowerment but to “gain” something. As some critical observers have put it, the NGOs have tendency to create parallel arrangements in the community . . . “which can undermine the role of elected councillors in the linkage between the community and local governments responsible for service delivery.”¹⁶¹ Service delivery itself is seen as partnership between the communities, local governments and non – governmental organisations. The author of this work found it difficult to establish the contribution of the local communities to service provision. What is commonly observed is that some communities on adhoc basis, engage in “self-help” (*bulungi bwansi*) activities. Even then, it is usually after the chairperson or member of the village executive committee puts in efforts to mobilise the residents to work on a water spring, access road, bridge and other small works which affect the lives of a section of the community¹⁶². International NGOs have made a significant contribution to community level service provisions targeting the poor communities and

160 The World Bank, Uganda Strategy, 1997, see David Craig and Doug Porter “Poverty Reduction Strategy Papers: A New Convergence”, World Development, Vol, 31, No 1, 2002. Martin Onyach–Olaa and Dong Porter, “Local Government Performance and Decentralisation in Uganda: implications for central Government and Donors” 2000.

161 *ibid*, Participatory Planning for Poverty Reduction (report) 2000, p.9

162 For example, people in Kyebando in Kawempe division contributed money, KCC gave them a grader. The money they collected was used to open up a new road.

taking care of the shortfalls of the local governments. For example, some of the NGOs operating in Kampala include *inter alia* Plan International which has built primary schools and provided piped water in Kawempe division. It is also taking care of the welfare of children orphaned by AIDS. Another NGO called AMREF is operating in Kawempe division providing AIDS awareness programmes. The problem however, is that most NGOs expect the community to contribute towards the service they intend to provide. Community contribution in most projects has been minimal; hence, the NGOs go ahead and provide the service with their own resources. This gesture in philanthropy is certainly good and welcome especially for the very poor but it creates a dependence syndrome. As people get used to handouts, they lose the momentum to struggle for a better hard - earned living, and initiative is lost.

The issue of accountability at the local level remains problematic with or without the activities of NGOs. As NGOs supply services that the local governments should have supplied the local communities get reprieved in their numerous problems; they become less conscious of the need to demand for their share of accountability from the local officials. This tendency is accentuated in Uganda by the government's directives to the NGOs to do "development" work and not "politics". Their beneficiaries are made aware of this silence requirement, which prompts their quiescence on controversial issues. This however, is a negation to the idea of development of a dynamic and vibrant civil society. It cripples the idea of a democratic society with the capacity to take on challenging roles and to question those who are supposed to do their responsibilities in public offices and society.

Finally, it is imperative to note the policy makers see that decentralisation as an instrument not only for promoting good governance but also as an instrument for fighting poverty. The government's strategy in this regard has been to identify key areas of funding at the local level termed as **priority areas**. These areas constitute the bulk of central government's grants to local governments. Despite increased funding by the government of local governments, a number of factors persist which weaken the implementation of poverty-reduction strategies through decentralisation. These include lack of effective participation in decision making at the lower levels of local government, lack of adequate finances, lack of qualified personnel at the sub-

county level and inadequate local governments at the local level¹⁶³.

A combination of these factors together with low levels of accountability, transparency, inefficient and ineffective service delivery make it tenuous to link the success or failure of the poverty reduction strategies with decentralisation. Moreover, at the micro-level, what matters most for the poor to overcome poverty is the availability of credit and access to productive assets such as land which remain largely in the hands of the better-to-do people¹⁶⁴. Thus whereas PEAP was conceived by the government with four principal aims of creating an enabling environment for sustainable growth, good governance, enabling the poor to raise their incomes and improving the quality of life of the poor, the question that these policy objectives raise is: how have they translated into material well-being of the poor? The second question is, if any material well-being has been registered in the lives of the poor, to what extent is it a consequence of decentralisation?

Evidence suggests that there are scores of improvements in social service delivery in the country. Education has registered significant enrolment of primary school-going children from 2.6 million in 1996 to 7.3 million in 2003. This is attributed to the introduction of universal primary education (UPE) for all primary school going children in 1997¹⁶⁵. The government has also put aside significant amounts of financial resources to cater for construction of school buildings under the school facility grant (SFG). This has alleviated the poor conditions under which children were studying before the introduction of UPE in some areas. In some areas especially in the North and Northeast, some classes used to be conducted under the tree shades or in grass thatched, temporary structures. The SFG is helping to remedy the situation. Nevertheless, most critics of the UPE programme contend that the programme is giving poor quality education. On the other hand, the government argues that while it is attending to the issues of quality improvement, the programme

163 Uganda Government, National Programme for Good Governance in the Context of the Poverty Eradication Action Plan. 2000, p.19

164 Charles Lwanga-Ntale, "Uganda's Decentralisation Policy and its Implementation Framework" in UMI, Basic Principles of Decentralisation 2004.

165 Under the UPE programme, children between the age of seven to twelve who are enrolled in government aided schools are exempted from paying tuition and other bills except that parents have to provide for their lunches, stationery and uniform.

is helping children who would possibly have never had any opportunity to go to school. Going by the increased numbers of enrolment, the UPE programme is successful partly because it has greatly reduced the levels of illiteracy that was rampant in the country. Primary school enrolment stood at 62.3% in 1992, in 2003 it was 86%. This is attributed to the implementation of UPE. The other area where service delivery has improved is water and sanitation. Access to safe water in rural areas has increased from 18 percent in 1991 to 55 percent in 2002. Access to safe water in urban areas has increased from 54 percent to 63 percent in the same period.

Under the Health Sector Strategic Plan, the government has outlined a minimum health package. The key issues are primary health care and prophylactic practices. Thus, emphasis is on immunisation of children against preventable diseases, clean environment, maternity care, health education, as well as providing basic medical care within the reach of the ordinary people—especially in the rural areas. Under the latter programme, the government is constructing or upgrading 214 health centres throughout the country. These are constructed to include a theatre, maternity ward, and general outpatients ward. A minimum of one qualified doctor and nurses are posted there. This programme is in addition to the existing larger district hospitals. This has helped to bring services nearer to the people. The problem still is that several complaints are raised that there are insufficient drugs. Each of these health centres has a management committee comprising local residents. Again, these complain that they have very little influence on what the doctors and nurses do in their daily routines. The original idea of having local management committees for health centres was to increase local ownership of the facilities and to generally oversee the centres. But the practice is that members meet only when called upon. Therefore, their influence in the day-to-day running of the health centres is minimal. Studies have revealed that in the health sector, there have traditionally been low levels of demand for accountability by users¹⁶⁶. Unlike schools where parents–teachers associations (PTA's) have for long time had influence largely because the parents made contribution towards the running of schools, such a practice did not exist in health

166 Emmanuel Ablo and Ritva Reinikka, "Tracking Study for Health and Education" in District Integrity Workshop in Uganda" (report) IGG and Work Bank Institute 1999.

centres¹⁶⁷. For this reason, medical personnel have not been subject to any significant demand for accountability at the local level.

While emphasis in studies has always been placed on accountability to the local communities, intra-organisational factors affecting the levels and conditions requisite for proper effectiveness and performance tend to be ignored. For example, in Uganda, conditions of work for public service workers are poor, which may induce the workers to engage in unethical conduct such as soliciting bribes. A trained medical doctor working in a government clinic receives on average Shs.500,000= (equivalent to about US dollars 300) per month. A trained primary school teacher receives Shs. 120,000 (equivalent to about US dollars 80) per month. This kind of remuneration not only demotivates, it also tempts the public service workers to engage in corrupt practices, which in Uganda has come to be known as “making the ends meet”. Thus, even if the institutions of government are vigilant on checking corruption, with poor pay for public workers, their efforts will be frustrated. In any case, higher level corruption amongst the senior civil servants and politicians, themselves well paid, exacerbates the problem. *The District integrity Workshop* report (1999) points out:

It is generally believed by the stakeholders that while President Museveni is capable of curbing the high level or “Grand Corruption” that is evident in Uganda, he has become increasingly less willing to do so. Also, he is apparently beginning to underestimate negative effects and adopt a new level of tolerance to corrupt practices by insiders⁴⁹⁵.

The report quotes President Museveni as saying, “Corruption is not hurting development as long as the money does not leave Uganda⁴⁹⁶”. This high level of tolerance of corruption percolates in the whole society. It affects the perceptions of local leaders in charge of delivering services and affects the quality of service delivered. “Grand Corruption” breeds and nurtures petty corruption. For example, the District Integrity Survey carried out in 1998

¹⁶⁷ For many years, the running of schools countrywide has suffered low capitation by government which necessitated parents to step in with extra contributions to run schools and top up teachers’ salaries. District integrity Workshop, 1999, p.47

found among service users in one of the districts - Mbale, that 73 percent of those interviewed believed that a bribe was usually demanded in order for one to get a service from the local service providers. The same study found that 77 percent of the service users were aware that paying a bribe is bad and there was consensus that corruption makes services inefficient, it is morally repugnant and deters development.

The more important point to note is that while local governments have been tasked with the responsibility of managing public funds and services, the risk of "grand corruption" at the national level, becoming "grand" at the district and lower levels is gradually eating into resources meant for service delivery. Cases have been reported where councillors have accused the members of executive and technical staff for engaging in tendering for services contrary to the law. Besides, the trend of corruption becomes entrenched when some of the services are still controlled from the centre, such as school grants. A chain of predators along the way take portions to the extent that by the time actual delivery is done, only a small fraction of the intended service goes to the beneficiaries⁴⁹⁸. In a tracking study of service delivery, it was found that a bulk of central government grants to districts intended for services were captured by the local elites at the district. In some cases, as little as only 13 percent reaches the intended beneficiaries¹⁶⁸. This systematic local capture has manifested itself in various ways: first, the central government does not have the capacity to supervise the use of the grants up to the beneficiary level. Second, the local governments do not have enough auditors to follow up the actual use of the funds released to lower local governments. Third, the local communities do not get sufficient information that funds have been released and the purpose for which they are intended. In most cases, poor communities lack the means and organisational capabilities to tackle the more influential local elites. Fourth, the local elites are connected through family, marriage, clan and other social relations that protect them from the rest of the community in their "dubious" dealings in appropriating public resources. Fifth, the power structure in Uganda, both at the centre and the local level is built on patronage to the extent that such acts of mis-appropriation by elites of public resources

168 Ritva Reinikka and Jacob Svensson, "Local Capture: Evidence from a central Government Transfer program in Uganda" *The Quarterly Journal of Economics*, May 2004

are conceived as political rewards for supporting the “system.”¹⁶⁹

Such was the case with a government micro-finance (Entandikwa Scheme) which was intended to give concessional loans to the poor to start up small income generating projects. The funds ended up with the more influential local elites who defaulted on payment, claiming, it was a political reward for their support to the movement system and President Museveni’s bid for presidency in 1996 and 2001¹⁷⁰. Political patronage more than anything else, seems to have been the most debilitating factor in local accountability. The councillors are elected on grounds of serving the people. However, it has been noted the most powerful local elites in the area use money and other influences including political connections to win votes. This system of power borders on zero-sum politics, right from the top to bottom. It lacks the checks and balances, even after decentralisation. As Hyden has observed:

... traces of the past are also to be found in the actions of the current NRM. The notion of politics as a zero-sum game in which the winner takes all, is evident in the approach which the NRM takes towards government. Patronage continues to be part of the way of governing¹⁷¹.

What makes political corruption more glaring at the local level in Uganda is that the local leaders perceive it as an “investment”. The candidates standing for elections sponsor their own campaigns and if they win, they hope to recoup their “investment gains”. As Thomas and Barkan have observed, the candidates for elections in Uganda spend too much money on their campaigns and the public expects to be “facilitated.”⁵⁰³ This “expensive” politics has distorted both representation and accountability. Personal gains

169 Anne Matte Kjaer, “Old brooms can sweep too!” An overview of rulers and public sector reforms in Uganda, Tanzania and Kenya” *Journal of Modern African Studies*, Vol 24, September 2004. Also critical, Roger Tangri and Andrew Mwenda “Corruption and cronyism in Uganda’s privatisation in the 1990s” *African Affairs* Vol 100, 2001.

170 William Muhumuza. (2007) *Credit and the Reduction of Poverty in Uganda: Structural Reforms in Context*. Kampala: Fountain Publishers.

171 Goran Hyden “The Challenges of Constitutionalising politics in Uganda” in Hansen and Twaddle (eds) *Changing Uganda*. James Currey, London, 1991.p, 113

for councillors override their public interest. Thus, it is not the pro-people candidates who win the votes; it is the more wealthy who do so. This leaves the marginalised groups voiceless, as it is only those with the necessary connections with the influential groups and personalities, who enter the ring of the beneficiaries, such as gaining tenders to supply or to get jobs for their friends and relatives.¹⁷²

10. CONCLUSIONS

This essay has critically analysed the significance of decentralisation both as an administrative reform and a political framework for renewing governance in Uganda. We have reflected on the past failure of the state, and observed that centralisation did not produce the desired political outcomes in Uganda. No one should doubt that decentralisation has a potential to accentuate peoples' power. It is a learning process. Mistakes can be done, and can be corrected. As President Museveni put at the launching of decentralisation in 1992, decentralisation is a process of "experimentation".

While there was apprehension at the dawn of decentralisation, this appears to have waned. However, there are some voices that still call for full devolution through federalism. The government put in place a provision that districts that want to cooperate, should do so. However, the government has not put in a mechanism to operationalise that cooperation. Moreover, the creation of very many small districts (from 39 in 1993 to 146 in 2023) appears to make that project untenable.

Significant investment has been made by government to empower local governments. Despite this investment, the share of national budget that sent to local governments has been declining, yet most services were decentralised to local governments.

172 Thomas M. and J. Barkan, (1998), "Corruption and Political Finance in Africa". (Mimeo) Prem Unit, World Bank, Washington. Also quoted in Floribert Ngaruu, "A Political Economy of reform for service delivery: the case for administrative decentralisation in Africa" Nordic Journal of African Studies Vol.12, No2, 2003.

The local resource envelope has been dwindling for most local governments. Most districts depend on central government for over 90 percent of their revenue. This has two major implications: one is that local councillors are not well facilitated to do their oversight function. This facilitation is supposed to come from local revenue. Secondly, lack of sufficient local funds means reduction of choices for a local authority. The preferences of the citizens are not met. For that matter, there is a wide discrepancy between the budgets of lower local governments and the actual release of funds for implementation. Local tax sources are also few and not fully exploited by local authorities. When Graduated Personal Tax was abolished by government, there were no other major sources of revenue for local authorities that were allowed by government. In a way, decentralisation has greatly been undermined by lack of local revenue sources.

Public accountability remains a major challenge for local governments. The concept of “elite capture” has remained a thorn in our local governments- corruption, diversion of resources for projects, false accounting, lack of value-for-money, shoddy work, supply of air-all these are prevalent in local governments. As a result, service delivery is inadequate, even resources are available for implementation.

Much of the local government work is delivered by civil servants. The separate personnel system whereby the local government staff were to be recruited and supervised by local councils has had a few challenges. There are strong views of patronage and nepotism in the recruitment process. Some District Appointment Boards are accused of taking bribes. This produces corrupt and incompetent civil servants.

Service delivery in local governments has been undermined by lack of adequate motivation of civil servants. Inadequate remuneration is partly responsible for corruption and failure to execute public projects efficiently and effectively. Moreover, the civil servants need facilities to deliver the projects, such as cars, fuel, allowances etc. Many departments of some local governments lack these facilities. Yet, civil servants are blamed for failure to supervise. That aside, there are civil servants who completion reports for projects that were poorly implanted. These should be held responsible. The people want value for money.

The final conclusion is that decentralisation is “work in progress, it is not a magic bullet”. All of us are stakeholders in our local governance. If we want



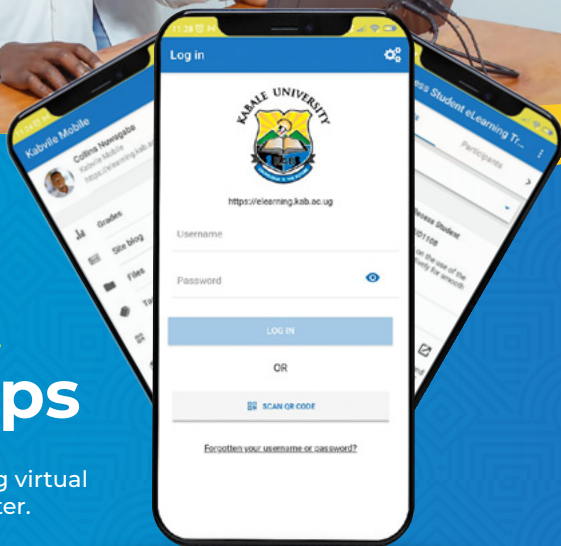
good governance practices from the leaders, we the people should assign ourselves a watchdog role, to hold the leaders accountable.



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