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Decentralization and Development in Contemporary Uganda

Elliott Green

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1. Introduction

Decentralization has long been seen as a major policy tool for helping to improve governance and the provision of public goods in the developing world. Indeed, there are theoretical reasons to expect greater public accountability at lower levels of government due to competition between units (Seabright 1996), while some empirical evidence suggests that decentralization allows local governments to respond better to local needs than national governments (Faguet and Sánchez 2013), particularly in ethnically or religiously diverse countries where public policy preferences can vary widely. As a result decentralization has become a large trend in governmental reform across the world over the past few decades, in particular in low-income countries with a poor history of public service delivery. Yet the potential benefits of decentralization can be outweighed by a number of factors, in particular by the problem of poor administrative capacity and a greater potential for elite capture (Bardhan 2002; Robinson 2007). The contradictory and confusing nature of the relationship between decentralization and development has thus led some like Mookherjee (2015) and Treisman (2007) to argue that generalizing about the relationship between decentralization and government effectiveness is effectively impossible as it is dependent on a number of context-specific factors.

In order to assess the effectiveness of decentralization I examine here the case study of Uganda, which has had major decentralization of power since its current President Yoweri Museveni took office in 1986. Uganda is a good case study to examine the effects of decentralization inasmuch as the process by which power has been deconcentrated and devolved to five levels of local government has been called “one of the most far-reaching local government reform programs in the developing world” (Francis and James 2003, p. 325). Indeed,
decentralization in Uganda not only involved the introduction of a uniform five-tiered local government structure but a commitment to fiscal and political decentralization as well as regular local government elections.

Yet initial excitement about Uganda’s decentralization program has, however, tapered off in recent years in large part to continued strong ties between the ruling National Resistance Movement (NRM) party and local governments and a resulting lack of effectiveness in providing high quality public services. The evidence presented here suggests that numerous problems with Uganda’s decentralization program such as a lack of funds, a lack of competent staff, corruption and an obsessive focus on the creation of new local government units are all responsible for the lagging performance of local governments. Moreover, as seen in Mezgebe (2015) as well as the other chapters in this volume, evidence from other African countries suggests that Uganda is not alone in suffering from these problems. The Ugandan case thus suggests that decentralization reforms themselves are not a panacea for broader problems of poor institutions that are endemic in developing countries.

The rest of the paper is organized as such. First, I provide a brief history of decentralization in Uganda since the colonial period. Second, I give an overview of decentralization reforms under President Museveni’s government, and then focus on how a lack of independence has led to a lack of effectiveness. In the latter case I show how a lack of funding, incompetent staffing, corruption and rampant district creation result in poor outcomes. Finally I conclude with broader thoughts on the consequence of Uganda’s decentralization failures and how they could potentially be rectified.²

2. A History of Local Government in Uganda to 1986

Under colonial rule most of Uganda was governed by a system of British district commissioners. Under these commissioners chiefs held powers over taxes, courts, local councils and general law and order. In the eastern and northern parts of Uganda which had no tradition of kingdoms or
hierarchical leadership, the imposition of chiefs was alien and, while ruling under "customary" law, chiefs in such areas were actually closer to modern civil servants than traditional pre-colonial rulers.

The situation was markedly different in the five kingdoms of Ankole, Buganda, Busoga, Bunyoro and Toro in the southern and western part of the country, which had a long pre-colonial history of political hierarchy, in some cases dating back centuries. Here the British instituted a system of indirect rule whereby local government retained some similarities with the pre-colonial era, in particular in Buganda, the largest and most powerful of the kingdoms. In part due to greater local legitimacy, the Buganda kingdom clashed with the central government in the 1950s over its degree of political independence and eventually requested to be granted a federal status in the country's future constitution. Concerns about a future civil war led the British Munster Commission in charge of designing the post-colonial government to recommend a federal status for Buganda but only recommend a semi-federal status for the other kingdoms and a unitary system for the rest of the country because they were not as rich or large as Buganda, thereby creating a highly unequal system of local governance upon independence in 1962.

This arrangement continued for only four years after independence, in large part because the Buganda kingdom continued to clash with Milton Obote's national government in Kampala over its degree of political freedom. This time, however, the Kampala government decided to send in troops rather than accede to the kingdom's demands, thereby leading to exile of the king of Buganda and the dissolution of all kingdoms as local government entities. The twenty years between the exile of King Mutesa in 1966 and the beginning of current President Yoweri Museveni's rule in 1986 were ones of autocratic and illegitimate local government due to the undemocratic and highly centralized nature of the national government. The 1967 Constitution not only completely dissolved all kingdoms’ federal status but also took power away from the district assemblies and split the country into eighteen equal districts. The constitution also abolished all district land boards, placing their power in the Uganda Land Commission (Sathyamurthy 1986, pp. 440-441). Indeed, as Sathyamurthy (1986, p. 445) notes, "from the beginning, Obote regarded strong local
governments… as obstacles in the way of forging a united Uganda according to a radical political philosophy."

3. The Resistance Council/Local Council (RC/LC) System (1986-present): Reforms and Problems

While in the bush as a rebel army fighting the Obote government in the early 1980s, Museveni’s National Resistance Army (NRA) began to create local government cells in territory it controlled under the name of "Resistance Councils" (RCs). As early as 1981 the NRA began to organize "clandestine committees" purely as a means for civilians to provide food and security for the rebels. After securing enough territory the NRA allowed the RCs to take on the responsibility of governing villages as well. They did not collect taxes but instead "judged local disputes, maintained sanitary regulations, kept roads clear and for security purposes registered everyone… RC chairs issued permits to allow a villager to travel to another village." Kasfir (2001, pp. 20-24) notes that, although the RCs were overseen by the NRA, they "were given unprecedented political and administrative space." Thus the RC system worked to advantage the NRA leadership by providing them with a semi-regular supply of resources with the willing help and enthusiasm of the local population. In other words, the pre-1986 RC system functioned precisely because, in contrast to its later forms, it was directly important to the survival of the NRA.

Considering the vital importance of the RC system to the NRA war effort prior to 1986, it is perhaps no surprise that Museveni and his ruling National Resistance Movement (NRM) party have built upon the RC system and invested much effort into completely transforming Uganda’s local government system since they overthrew the government in Kampala in January 1986. Indeed, it is difficult to overstate how much emphasis the NRM put on the success of its local government program upon taking power. The political scientist Mahmood Mamdani, who chaired the government-appointed 1987 Commission of Inquiry into the Local Government System, wrote that "the RC system [was] the kernel of the agrarian revolution brought to rural Uganda by the NRM"
(Mamdani 1997). The Museveni government totally altered the formerly top-down local government system by instituting local democratic control through an increased number of popularly elected posts while also making all citizens mandatory members of their local councils (LCs, the successor to the RCs). Furthermore, the NRM government has not only increased the number of districts from an initial 39 to 112 in an attempt to thereby increase local access to services provided at the district level (Green 2010), but also has focused on both streamlining local government bureaucracy and increasing local fiscal power.

It is therefore no surprise that the LC system initially garnered high praise from scholars, in particular for their ability to encourage political participation (Mutibwa 1992), detribalize rural administration by removing the power of local tribal chiefs (Mamdani 1996) and combat HIV/AIDS successfully (Allen and Heald 2004). The initial reaction within Uganda was just as strong: as Golooba-Mutebi (1999, p. 112) notes, both the initial RC elections in 1987 as well as the second set in 1989 resulted in "massive voter turnout indicative of widespread endorsement of, and enthusiasm for, the system." In his field work in the early 1990s, Karlström (1999, p. 435) also found much support for the RC system in rural Buganda, principally due to its similarity to the old Buganda local government system in that both systems encourages local control of local politics. However, there is evidence that the quality of local government institutions is not necessarily lower in non-kingdom areas (Bandyopadhyay and Green 2016), which suggests that the Museveni government has been able to implement decentralization evenly across Uganda. In other words, the NRM was successful in making the LC system both democratic and legitimate, inasmuch as the system enjoyed large amounts of popular support across the whole country.

Yet, by the end of the 1990s, the faults of the LC system began to be increasingly clear. As Golooba-Mutebi (1999, p. 149) writes, "much of the applause heaped on the RC system in its juvenile days was premature. Ten years after the system had been established countrywide, it had begun to show signs of atrophy and possible terminal decline." More recently it has become obvious that the Museveni government's main interest in the LC system has not been to provide
good public services but instead to maintain the ruling NRM’s network of power at the local level, especially after electoral party politics was legalized again in 2005 (Gubser 2011; Tripp 2010). Indeed, the LC system has never been neither truly effective nor independent, inasmuch as the result of much of the government’s attempts to create local power centers at the district level has inevitably resulted in both ineffective government and a lack of independence. These problems have meant that, while still better than local government under Obote and Amin, the LC system has not fulfilled its initial expectations. I therefore first examine the LC system as it has developed since the 1980s before examining its two key problems in turn.

3.1. The Evolution of the RC System (1986-present)

Upon establishing itself in Kampala in 1986, the NRM government spread the RC system throughout the country. Due to their democratic nature RCs were "greeted with enthusiasm," winning the "confidence of members of the public… in most areas of the country" (Golooba-Mutebi 1999, pp. 105, 109). The system became institutionalized with the implementation of the Report of the Commission of Inquiry into the Local Government System in 1987, which resulted a five-tier structure that consisted of the village (RCI), parish (RCII), sub-county (RCIII), county (RCIV) and district (RCV) with the additional offices of District Administrator (appointed by the President) and District Executive Secretary (appointed by the Minister of Local Government) at the district level.

However, the NRM government continued to reform and adjust the local government system. The early 1990s saw the introduction of partial financial decentralization alongside the transference of power from central government representatives to the elected members of the district. Moreover, local governments were supported by three types of grants from the central government, namely unconditional grants (largely for the purposes of government salaries), conditional grants (for specific projects) and equalization grants (for underprivileged districts) (1995 Constitution of Uganda, Chapter 11, Clause 193).
Further reforms came in with the 1995 constitution which renamed RCs as Local Councils (LCs) and mandated direct elections at all levels of local government, including that of the district chairman, every four years. The Chairperson and Speaker of the district were now to function largely like the President and Speaker at the national level, while District Service Commissions were to function like the Public Service Commission at the nation level in that they hold the power to appoint, discipline and remove district officers. The constitution also mandated that 1/3 of the all LC members must be women and that the district chairman must be between 30 and 75 years old (1995 Constitution of Uganda, Chapter 11, clauses 176-206).

As regards finances the Local Government Act of 1997 formalized the distribution of district revenue to be allocated to the various LC levels. The sub-county (LCIII) would collect revenue and give 35% to the district (LCV). Of the money kept by the sub-county the county (LCIV) and parish (LCII) each received 5% and villages (LCI) received 25%, thereby leaving the sub-county with the other 65%. Thus by the late 2000s some 31.1% of all government revenue was spent by local governments, up from 19.8% in 1998 (Lindemann 2011, p. 407).

3.2. Problems with the LC system

While these reforms have somewhat succeeded in creating democratic and legitimate local governments, they have not, however, resulted in an independent or effective system of local government. Instead, the effects of decentralization have been to devolve the power of the central government to the district level rather than to the lower levels of local government. The first problem stems from the NRM’s attempts to maintain strict control over the LC system, which has been manifested by its reliance on both central government appointed positions, and local NRM apparatchiks. The result has been that the LC system has suffered from various problems such as a lack of funds, a lack of competent staff, local corruption and the creation of new districts. I examine each of these four problems in turn.
Lack of Independence

As has been well documented in other developing countries such as Bolivia, Indonesia and Senegal, national governments which pursued decentralization policies have also been reluctant to allow true local government independence that would involve any loss of power at the national level and have thus tended to "recentralize" power in the capital (Ribot et al. 2006). Some scholars have claimed that Uganda’s decentralization program is unusual in the way in which the central government "pursued a preference for local political empowerment from the beginning so as to build its own legitimacy" ( Awortwi 2011, p. 365; cf. Furley 2000; Steffensen and Trollegaard 2000). However, others like Lambright (2011), Lewis (2014) and Tripp (2010) claim that Uganda is actually closer to the norm in the numerous ways in which decentralization has been instrumentalized by the ruling NRM government. Indeed, Kampala’s control over local governments is perhaps the greatest problem for the LC system, since it has meant that the system is less a check on the power of the central government than an extension of its control into local areas. The NRM has granted itself a variety of ways in which to exercise its power at the district level, including a clause in the 1995 constitution giving the President the right to take over a district government in exceptional circumstances (1995 Constitution of Uganda, Chapter 11, clause 202). However, most of the time the NRM has maintained its control through three ways, namely through the two posts of the Resident District Commissioner and the Chief Administrative Officer at the district level, through the Ministry of Local Government, and through the top-down structure of the NRM itself.

In its attempts to control the district governments, the NRM created two posts responsible to the central government. The first, the Chief Administrative Officer (CAO), is the chief technical administrator in the district and, along with the deputy CAO, is both appointed by and responsible to the Minister of Local Government (henceforth MoLG). While the 1993 Local Government Act made the CAO nominally responsible to the district government, this right was revoked in a constitutional amendment in 2005 despite opposition from donors, the Uganda Local Government Association and the 2003 Constitutional Review Commission, among others. The result has been
that CAOs are now transferred from one district to another on a regular basis and thus permanently base themselves and their family in Kampala and work as visitors to their assigned districts, with a resultant decline in oversight over local personnel (Nabaho 2013, p. 206). It is of course no coincidence that the recentralization of control over CAOs took place at the same time when Uganda returned to a multi-party democracy and President Museveni was concerned about the infiltration of opposition parties into the local government structure, as seen by the decision to force all CAOs to undergo military and ideological training for one month in 2009 (Awortwi 2011, p. 369).

The second position, the Resident District Commissioner (RDC), is appointed by and responsible to the President and co-ordinates future planning through the District Development Committee while also monitoring and overseeing local government programs more generally. Indeed, the strategy of the NRM in moving RDCs around the country like foreign diplomats, with only a couple of years at their post before assuming a new position, has prevented the RDCs from identifying with local concerns against those of the central government. This was quite obvious in the case of Protaz Tigurihwayo, the RDC for Masaka when I visited in December 2001 and a Munyankole from Bushenyi district who had never before served as RDC. Tigurihwayo’s main complaint about the local government system was that his hands were tied by both the district chairpeople, whom he claimed had too much power, and by district technocrats, whom he claimed should be appointed by the central government rather than by the district government (Interview with Protaz Tigurihwayo, Masaka, 13/12/2001).9

Thus the RDCs have acted largely as central government representatives, especially around election time. In the 1996 Presidential and Parliamentary elections the International Foundation for Election Systems noted that RDCs "played a partisan role" (Green 2008, pp. 437-438). Similarly, in the context of the 2004 debate about President Museveni’s potential third term, the RDCs were accused by MPs of serving as NRM apparatchiks, going so far as to bar "anti-Movement MPs from holding meetings" (New Vision 14/8/2004). While this pro-Movement activity has failed to come
under criticism from the MoLG, it has not refrained from rebuking CAOs or RDCs for "engaging in politics and issuing political statements" when they criticize the central government, as in the case where the Sironko district CAO blamed President Museveni for a shortfall in local revenue (New Vision 14/8/2004). As such local councilors are loath to criticize the Museveni or the ruling NRM party in public – with the sole exception of the capital city of Kampala, whose residents consistently elect DP mayors. As in other countries with a strong opposition presence in the capital, however, the Museveni government has dealt with this problem by recentralizing power in Kampala, specifically via the creation of the Kampala Capital City Authority in 2010.

Lack of Effectiveness

The result of central government oversight over both CAOs and RDCs has meant that, according to one delegate to the Constituent Assembly tasked to debate Uganda's new constitution in the mid-1990s, "decentralization means that powerful district leaders are assigned instead of being elected from within" (Constituent Assembly Proceedings 6/7/1994, p. 624). The priority given by the central government to political control over local governments as compared to publish goods provision has inevitably meant that much of the initial gains associated with decentralization reforms in the 1990s have not been matched in recent years (Lambright 2012, p. 2). For instance, the most impressive feat of Uganda’s decentralization policy has been the gains in universal primary education, which saw dramatic increase in net enrolment ratios after school fees were abolished for up to four children per household in 1997 from 57% in 1996 to 85% in 2000 and 97% in 2007 (Bashaasha, Mangheni and Nkonya 2011, p. 8). However, while the implementation of universal primary education was conducted by local governments, the initiative behind it was clearly directed from Kampala in a very top-down manner (Stasavage 2004; Wunsch 2008). Moreover, the success in raising enrolment has not been matched by raising the number of schools or teachers, which led to declining teacher qualifications and questions about a deterioration in the quality of primary education (Bashaasha et al. 2011; Nishimura, Yamano and Sasaoka 2008), with
similar concerns about the implementation of universal secondary education from 2006 onwards (Chapman, Burton and Werner 2010).

The health sector has also been decentralized, with a District Director of Health Services leading a district health team while hospital management boards are appointed by local councils. However, as with education there is little evidence that decentralization is responsible for whatever improvements have occurred in Uganda’s health sector (Bashaasha et al. 2011). For instance, Pariyo et al. (2009) suggest that health care initiatives "were not based on locally generated ideas, objective assessments of the existing situations, or local adaptation of interventions tried elsewhere, but on pre-packaged interventions designed by donor agencies." They suggest that decentralization has led to increased access to health facilities but no noticeable change in infant or maternal mortality rates, which could in part be due to a decline in income to health workers (Kyaddondo and Whyte 2003).

Assessing the impact of decentralization is in many ways a bit difficult in Uganda, as decentralization has not been implemented suddenly across the country in the same way at the same time as for instance in Bolivia (Faguet 2004), thereby allowing for a clear before-and-after story. Indeed, much of the literature on decentralization has similarly noted the difficulty in assessing the outcomes of decentralization (Mookherjee 2015; Treisman 2007), not just because of the gradual process by which decentralization is usually introduced but also because its implementation cannot be separated from the political incentives which drive decentralization policies. However, one way to assess the impact of decentralization on service delivery in Uganda is to examine the effect of district creation, whereby new districts have been created out of older districts on a semi-regular basis every few years since the early 1990s. Not only does the 1995 Ugandan constitution allow for district creation for the purposes of "bringing services closer to the people," local government officials have long claimed that district creation have will bring better public services (Green 2010). Moreover, there is evidence that the Ugandan government has created new districts out of counties that are both politically and economically deprived relative to their "mother" districts (Grossman
and Lewis 2014). However, there remains no evidence that district creation leads to better public services in Uganda, whereby changes in UNDP district-level measures of poverty between 1996 and 2003 are not correlated with the creation of new districts in 1997 (Green 2010). None of this is particularly surprising, of course, since there is strong evidence that district creation has been driven by electoral calculations rather than developmental needs (Green 2010).

Indeed, decentralization has in many ways failed to be as effective as was initially expected, thereby leading many older Ugandans to have "nostalgic feelings" about the "old system of local administration… when local amenities and infrastructure were relatively well maintained" (Golooba-Mutebi 1999, pp. 126-127). In recent years the percentages of districts meeting the minimum performance standards set by the central government has fallen to only 34% in 2008 from 80% a few years before (Klaver and Tibamwenda 2009). As such, in the 2011 presidential election President Museveni went so far as to distance himself from local government leaders and blame them for poor government performance (Izama and Wilkerson 2011, p. 67). More generally, the LC system has failed to be effective for four reasons, namely a lack of funding, a lack of competent staff, local corruption and an obsession with district creation, each of which I examine in turn.

Funding

One of the key differences between federal and decentralized political systems is that the former devolve significant revenue-raising powers while the latter do not. Indeed, sub-national tax revenues average only 16.6% in developing countries, inasmuch as central governments prefer to hold onto major sources of revenue for themselves and devolve very limited control over taxation to local governments (Shaw and Thompson 2004). Uganda is no different in this sense: up until 2005 the vast majority of local revenue – 84% at the district level – came from graduated personal tax (GPT), of which only 45% of its actual potential was collected at the district level (and only 27% at the village level). The GPT was a very regressive tax, with an upper limit of 80,000 Ush and an "extremely arbitrary" system of assessing household income.10 Furthermore, collection costs went
as high as 30% of GPT revenue,\textsuperscript{11} much of which was felt by locals to "to cover the wages and allowances of the tax collector or of civil servants at district headquarters rather than being applied to tangible projects likely to benefit the poor" (Livingstone and Charlton 1998, pp. 507, 513). Indeed, in 2003 "surveys from Mubende and Soroti districts indicated that transporting the officials and policemen to round up defaulters is more expensive than the [GPT] money realized" (\textit{New Vision} 3/9/2003).

The unpopularity of the GPT led to a "reluctance to collect taxes" on the part of local governments, which in turn led to a collection rate of only 60% of adults over 18 in 2002 (Government of Uganda 2002, pp. 4, 28). As a result the government eliminated the GPT altogether in late 2005 in the run-up to the 2006 presidential elections. The result, however, has been that local government have become even more reliant upon the central government for 95% of their budget (\textit{New Vision}, 4/7/2010). In an attempt to replace the GPT with new sources of local revenue the government created two new local taxes in 2008: first, a local hotel tax charged between 1000 and 3500 Ugandan Shillings (Ush) per room per day depending on the quality of the hotel, and second, a local service tax on employees ranging between 5,000 and 100,000 Ush per year (Bashaasha, et al., 2011, p. 4). However, so far neither tax has produced much revenue for local governments, which have collected an average of 6 billion Ush per year compared to 80 billion which they used to collect with GPT (\textit{New Vision}, 3/7/2012). Indeed, as numerous LC officials have noted, the hotel tax is useless in the large number of sub-counties in rural Uganda with no hotels, while many districts also fail to have "farmers with the required acreage of land and number of cattle to meet the local service tax requirements" according to Kabale district chairman Adson Kakuru (\textit{New Vision}, 25/6/2008).

As a result local governments in Uganda continue to rely heavily upon central government funding which, however, has had two significant problems. The first problem is that central government funding for local governments has been neither reliable nor adequate. Indeed, in an effort to reduce Uganda’s budget deficit, the NRM government cut local government funding from
25% of the national budget in 2005/06 to only 17.6% in 2011/12 (New Vision, 24/8/2012). In particular poor districts, especially those in the north, have not seen as much assistance from equalization grants as they should have expected, which is a consequence of the fact that equalization grants comprise only 0.5% of central government funding to districts (Bitarabeho 2008).

The second problem is that the result of this shortage of funds has been the accumulation of what money does exist at the district level. Various studies have confirmed this concentration of funds at the district level (cf. Green 2008). For instance, a Ministry of Local Government (MoLG) survey of nine districts in 2002 noted that "there is hardly any officer in charge of education in all the sub-counties visited… This is because this function is entirely being performed by the district." The same applied to health services: "at the sub-county level, health services are almost entirely being performed by the higher local government." Furthermore, while the percentage of taxes collected by the sub-counties required by law to be given to the district did reach its source, the reverse was not true: "the revenues collected by the districts… [are] never shared with the sub-counties" (Government of Uganda 2002, pp. 24-25, 33-34).

**Incompetent Staff**

By devolving responsibilities for public services to local governments without significant assistance from the central government, decentralization can often lead to pressures on staff not well-equipped to handle their new remit. Indeed, the literature on decentralization in other African countries such as Tanzania and Zambia suggests that decentralization can result in both recruitment problems and the retention of under-qualified and unqualified staff (Hampwaye 2008, Munga et al. 2009). Not surprisingly, the same problem has arisen in Uganda, where the MoLG has also noted that local government staff members are often incompetent and uneducated. In particular many local councilors do not fully comprehend the tasks they are supposed to perform: in a 2002 study the MoLG found that only 25% and 30% of local councilors clearly understood their mandates in the
areas of education and health, respectively. The most obvious reasons for this include the fact that "the books containing the legal framework are unavailable in many local governments" while, when the books are available, "some terms are very difficult to understand" (Government of Uganda 2002, pp. 39-40).

Needless to say, the aforementioned rapid expansion in the number of districts has only exacerbated this problem. Indeed, not only do some older districts lose crucial staff to newer districts which can afford to pay higher salaries, but new districts in poor or undesireable locations often have staffing levels as low as 9% according to a 2012 government report (Government of Uganda 2012, p. 17). The result is that many local government staff members take on additional jobs: in 2013, for instance, some 30% of all “District Water Officers also doubled as the District Engineers with excessive workload that affected effectiveness of the two offices” (Government of Uganda 2015, p. 3).

In the author’s own experiences local government staff members were poorly trained in a variety of ways. For instance, in Kiboga district a 20-year old VSO (Voluntary Service Overseas, a British NGO) volunteer from Canada was assigned to help the district staff on IT matters. He had the bright idea of grouping the district staff’s computers in one room so that if one of them had queries about how to operate their computer they could easily ask others without having to shout for the VSO’s help. Yet even so the VSO was bombarded with questions, many of which involved turning the computer and/or printer on or off.

Furthermore, many district officials around the country have been caught in scandals as regards to their lack of O-levels (an academic qualification equivalent to the GCSE in the UK), the academic minimum for holding a district-level post. Needless to say, this bare minimum requirement would explain why even those with O-levels were unable to understand their tasks and/or mandates, as outlined above, not to mention those at lower levels of government where the requirement is less or non-existent.12 For instance, many district councilors, not to mention those further down, cannot speak English (Manyak and Katono 2010, p. 11),13 while "some councilors
who head departments are unable to present reports from their departments and hire literate people to read out the reports for them," according to an MP from Mukono district (New Vision 26/7/2003).

**Corruption**

One of the main arguments for decentralization is that it lowers corruption at the national level, potentially via the way competition between governmental units can incentivize better public accountability. However, there is also reason to believe that checks and balances on public servants decline with decentralization, and that the complex nature of political systems with multiple tiers of government leads to uncoordinated rent-seeking (Fan et al. 2009). Uganda clearly seems to fit the latter case, inasmuch as "the issue of corruption at local government level over money sent from the centre is really enormous," according to MP and member of the Parliamentary Local Government Accounts Committee Betty Amongi (Women, Apac) (Online Parliament of Uganda Hansard, 15/5/2003). Indeed, one noted study of local government spending on nonwage education expenditures in the early 1990s found that only an average of 13% of the actual grant sent by the central government reached the relevant primary schools, with the rest of the money siphoned off by local officials and politicians (Reinikka and Svensson 2004). Moreover, survey evidence suggests that Ugandans find local officials more corrupt than central government officials or the police, with corruption increasing as one moves upwards from the village level to the district (Deininger and Mpuga 2005, p. 178; Lambright 2011, p. 1).

Perhaps here it is best to take the example of one district visited by the author, namely Kiboga in north-west Buganda, to see how much corruption takes place at the district level alone. Indeed, financial mismanagement has plagued Kiboga ever since it was created out of Mubende district in the early 1990s. In 1994 the district Secretary for Women was accused of embezzling more than 21m shillings before fleeing the district. In 1998 the district government directed the CAO of Kiboga to suspend the district’s Chief Finance Officer and Assistant Salary Officer for "financial mismanagement, abuse of office and inefficiency in their services, which caused great
loss to the district” (*New Vision* 12/9/1998; *New Vision* 11/5/1999), while two sub-county chiefs and four cashiers were indicted by the CAO for failing to account for 16m Ush. Finally, in 2003 the CAO himself came under fire for failing to explain why the district government spent 1.38 billion Ush in excess of its budget, whereas the district’s personnel and salary officers and District Service Commission Secretary were arrested in August 2003 for payroll fraud in connection with "ghost" primary school teachers (*Monitor* 31/1/2004; *New Vision* 18/8/2003; *New Vision* 20/8/2003).

Similar accusations were launched at Kiboga district chairman Siraje Kizito. In 2002 the RDC for Kiboga ordered an inquiry into more than 200m shillings meant for classroom construction that had gone missing; Kiboga Woman MP and State Minister for Defence Ruth Nankabirwa claimed that Kizito had embezzled the money. Kizito was also accused of nepotism and "immaturity" during his first term by the District Service Commission chairman and a local magistrate, respectively (*Monitor* 15/9/2000). He was nonetheless re-elected in February 2002, only to be accused again by Nankabirwa of having more than 80% of his votes coming from outside Kiboga. In a subsequent trial in Kampala, Kizito's former opponent accused him of giving and promising piglets to voters in return for votes; as a result, the High Court declared the LCV seat vacant and called for another election in July 2002. The matter was eventually resolved when the Court of Appeal upheld the election in a unanimous decision, claiming that the electoral irregularities were not large enough to affect the result (*New Vision* 29/10/2002). However, election irregularities again plagued Kiboga in September 2010, when some local officials claimed that armed men attempted to intimidate and bribe voters to vote against Kizito (*New Vision* 25/10/2010).

*New District Creation*

Numerous governments in the developing world have created new local governmental units in the past two decades, largely for political reasons as governments seek to consolidate their electoral support. However, while evidence suggests that an increase in the number of units may lead to better public services in countries with a small initial number of governmental units, for those
countries which already possess a large number of governmental units further increases in their numbers result in a declining quality of public services (Grossman and Pierskalla 2014).

Again we find Uganda to be a prime example of this phenomenon under President Museveni’s rule. Museveni was not the first Ugandan president to undertake this task, as in 1974 Idi Amin introduced ten provincial governments and almost doubled the number of districts from 19 to 37 in a clear example of the prebendalistic practices common to Africa at the time (Van de Walle 2007). As with Amin district creation has created patronage opportunities for Museveni which has paid off in numerous recent elections (Green 2010). However, unlike Amin Museveni’s government has continued to add districts in regular intervals to the point where it now has 112 districts (cf. Table 1), or more highest-level local government units than any other country in the world.

[Insert Table 1 here]

As noted by Green (2010), several government officials have claimed that district creation has helped service delivery in such areas as boreholes, schools, and roads. However, he finds no correlation between the creation of new districts and improved service delivery. In fact, the creation of new districts has led to several problems of its own. First, the creation of new districts has led to severe funding problems across Uganda. As noted by the President and Secretary–General of the Uganda Local Governments Association, new districts are often created with severely inadequate staffing, with human resource levels at 55% on average of their full capacity and as low as 10% in many districts (New Vision, 24/8/2012). Delays in setting up new district offices often mean that it is difficult to establish where responsibilities lie, as established by Kyaddondo and Whyte (2003) in the case of Tororo and Busia districts in eastern Uganda.

Second, district creation has meant that central government funding allocated at the district level has been spread increasingly thin. For instance, the central government equalization fund
budget has remained at the same level of 3.4 billion Ush for a number of years while the number of recipient districts has increased by 400%. While the central government has responded to budgetary concerns by eliminating County (LCIV) councils, which cost 17.5 billion Ush per year, the collective savings is so small that it effectively only helps to cover the shortfall in revenue for one district, let alone all of Uganda’s 112 districts (Independent 14/7/2012).

4. Conclusion

While there is no doubt that decentralization remains incredibly popular across the world, it is possible that excitement about its potential as a developmental strategy may have peaked in recent years, as the high expectations of decentralization are not met in countries like Indonesia and South Africa, among others (Koelble and Siddle 2014; Pisani 2014; Wunsch 2008). Similarly, in Uganda the LC system continues to suffer from numerous faults and has failed to live up to the aforementioned expectations of the late 1980s. I have claimed here that the problems of the Ugandan decentralization program are rooted in its lack of independence from Kampala both politically and economically, which has contributed to such issues as a lack of competent staff, corruption and an obsessive focus on creating new districts for political reasons. In other words, the disappointments associated with decentralization have been associated with broader problems of poor quality institutions that are common among young democracies in the developing world.

The failures of decentralization in Uganda have had at least two serious consequences. First, in the Buganda region many residents have expressed a desire to return to a federal or regional system under the governance of the Buganda Kingdom – or federo as it is known locally – of the 1960s. Indeed, this continued support for federo within Buganda was at the heart of the Kampala riots of September 2009 that led to the deaths of 40 people. The fact that the Buganda federal government of the 1960s was not only ineffective at providing good public services but, as noted above, was also a major cause of Uganda’s subsequent collapse into authoritarianism, has not prevented this issue from going away despite various public relations efforts over the years by the
central government to convince people otherwise. Moreover, while the central government has created the legal structure necessary to support the existence of a sixth regional tier of local government (Government of Uganda 2012), nowhere else in Uganda outside Buganda is there strong support for such a tier, which means that any attempt to create a regional government for Buganda would almost inevitably lead to another uneven federal structure such as existed in the 1960s.

A second albeit indirect consequence of decentralization’s failures is that the Museveni government has stalled in its developmental efforts. Uganda’s relative ranking in the Human Development Index (HDI) has actually dropped in recent years from the 84th percentile in 2003 (147 out of 175 countries) and 82nd percentile in 2004 (146 out of 177) to the 88th percentile in 2014 (164 out of 187), during which time countries like Angola, Madagascar, Nigeria, Senegal and Yemen have surpassed it on the annual HDI. It would be wrong to assume that the failures of decentralization are the primary reason why development in Uganda has stalled relative to other comparable countries – at the very least an inability to lower fertility levels has played a major role in this respect – but the contrast between Uganda and such decentralization successes as Bolivia and Colombia is striking here (Faguet 2004; Faguet and Sánchez 2013).

While the failures of decentralization have been the focus here, it is also clear that previous experiments with more centralized government structures under previous regimes in Uganda have been even worse, as noted above. Thus it is at least possible to suggest some obvious policy changes which could help to alleviate some of the more serious concerns listed here. A halt to creating new districts is one such policy, inasmuch as "districtization" does not appear to have had any significant impact on development outcomes. Second, salaries for local government need to be increased to increase staffing levels and improve the quality of staff, as was recommended by the Local Government Finance Commission in 2013 (Government of Uganda 2013, p. 12). Third, allowing more latitude to political opposition at the local level by removing the links between local government and local NRM committees would also allow for more open political competition and
thereby incentivize more effective governance. Fourth and finally, allowing for more effective local taxation would create more local revenue which local governments use for development purposes. Of course in all three cases such reforms would remove power from the control of the central government, which is why they have drawn such little support in Kampala.

**Bibliography**


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Table 1: District Creation in Uganda
(Source: Government of Uganda 1987; Ocwich 2005; US Census Bureau)

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Districts</th>
<th>Population per District</th>
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<tbody>
<tr>
<td>1959</td>
<td>16</td>
<td>443,000</td>
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</tr>
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</tr>
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<tr>
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<td>368,115</td>
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</tr>
<tr>
<td>2010</td>
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</tbody>
</table>

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Notes

2 Much of the material in this paper dates back to a chapter of my PhD dissertation under the aegis of Professors Tim Allen and Teddy Brett at the LSE. Research on this and related topics has led to field work in Uganda on four separate occasions, with a focus on semi-structured interviews as well as document collection from various government ministries and other sources.

3 For more on the history of these kingdoms and their lingering effects on private wealth in the present, see Bandyopadhyay and Green (2015).

4 In my own field work in the early 2000s I encountered similar sentiments from local officials in Masaka District in southern Buganda.

5 89% of unconditional grant funds are used to cover salaries and wages (Monitor 25/7/2011).

6 Uganda was one of the first countries in Africa to introduce equalization grants (Steffensen and Trollegaard 2000, p. 51).

7 Thus the sub-county received 65% of 65% of the total tax revenue, or 42%.
Museveni has never actually used this right, but his explicit threats to doso in the case of Kibaale district in 2002 led directly to the resignation of the district chairman at the time (Green 2007).

Tigurihwayo’s dislike for local government staff could explain why the Masaka LCV executive council voted unanimously in favour of his transfer on December 18, 2003 (Monitor 22/12/2003); he was moved back out west to Ntungamo district in President Museveni’s 2003 RDC reshuffle five days later (New Vision 23/12/2003).

A person with an income of 32,000 Ush paid a GPT rate of 9.4% while people with incomes of 330,000 and 1.5m Ush only paid 5.7% and 5.3%, respectively (Livingstone and Charlton 1998, 504-505).

Chen, Matovu and Reinikka (2001, p. 277) write that "the GPT represents an expensive form of tax administration and, because presumptive assessment can imply subjectivity and arbitrariness, is often perceived as unfair." It is partially for these reasons that other African countries have not allowed local governments to collect income tax (Steffensen and Trollegaard 2000, p. 48).

Sub-county chairpersons are required to have achieved a minimum of four years of secondary school.

About half of the village councillors I spoke to in Masaka district could not speak English.