



Graduate School of Development Studies

**DECENTRALIZATION AND THE DANCE OF CREATING DISTRICTS:
THEORY AND PRACTICE IN UGANDA**

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Dedication

This work is dedicated to my dear wife Grace who diligently supported me morally and spiritually at all times whenever I would express some difficulty and single handedly raised our young son Mark Evans for the whole year when I was at school. I dedicate it also to my late mother, Mrs. Agnes Ocen whom God did not allow her to see the success of her son. She died on the 14th September 2008, three months before I could graduate. To my father, Rev. Canon Yeko Ocen-Okello for educating me and continuously encouraging me to further my academic career this far.

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Table of Contents

DEDICATION.....	3
ACKNOWLEDGEMENT.....	4
LIST OF ACRONYMS.....	7
ABSTRACT.....	8
KEYWORDS.....	9
CHAPTER ONE: BACKGROUND AND INDICATION OF THE PROBLEM.....	10
1.1 INTRODUCTION.....	10
1.2 BACKGROUND AND INDICATION OF THE PROBLEM.....	11
1.3 RESEARCH OBJECTIVES.....	14
1.4 RESEARCH QUESTION.....	14
1.5 RESEARCH SUB-QUESTIONS:.....	14
1.6 THESIS ORGANIZATION.....	14
CHAPTER TWO: CREATION OF LOCAL GOVERNMENT JURISDICTIONS: THEORETICAL REVIEW.....	16
2.1 INTRODUCTION.....	16
2.2 POLITICAL ARGUMENTS.....	16
2.3 ECONOMIC ARGUMENTS.....	20
2.4 SOCIO-CULTURAL ARGUMENTS.....	24
CHAPTER THREE: OPERATIONALIZATION OF THE RESEARCH.....	27
3.1 INTRODUCTION.....	27
3.2 UGANDA'S PROFILE.....	27
3.3 SAMPLING TECHNIQUE.....	36
3.4 METHOD OF DATA COLLECTION.....	36
3.5 METHODS OF DATA ANALYSIS.....	37
3.6 LIMITATION/PRACTICAL PROBLEMS.....	37
CHAPTER FOUR: ECONOMIC ANALYSIS OF THE RESEARCH.....	39
4.1 INTRODUCTION.....	39
CHAPTER FIVE: POLITICAL AND SOCIO-CULTURAL ANALYSIS.....	55
CHAPTER SIX: SUMMARY OF FINDINGS, THEORETICAL IMPLICATIONS AND CONCLUSION.....	63
6.1 SUMMARY OF FINDINGS.....	63
6.2 THEORETICAL IMPLICATIONS.....	64
6.3 CONCLUSION.....	65
REFERENCES.....	67
SITES VISITED.....	70

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Deleted: DEDICATION.....	3
ACKNOWLEDGEMENT.....	4
LIST OF ACRONYMS.....	7
ABSTRACT.....	8
KEYWORDS.....	9
CHAPTER ONE: BACKGROUND AND INDICATION OF THE PROBLEM.....	10
1.1 INTRODUCTION.....	10
1.2 BACKGROUND AND INDICATION OF THE PROBLEM.....	11
1.3 RESEARCH OBJECTIVES.....	14
1.4 RESEARCH QUESTION.....	14
1.5 RESEARCH SUB-QUESTIONS:.....	14
1.6 THESIS ORGANIZATION.....	14
CHAPTER TWO: CREATION OF LOCAL GOVERNMENT JURISDICTIONS: THEORETICAL REVIEW.....	16
2.1 INTRODUCTION.....	16
2.2 POLITICAL ARGUMENTS.....	16
2.3 ECONOMIC ARGUMENTS.....	20
2.4 SOCIO-CULTURAL ARGUMENTS.....	24
CHAPTER THREE: OPERATIONALIZATION OF THE RESEARCH.....	27
3.1 INTRODUCTION.....	27
3.2 UGANDA'S PROFILE.....	27
3.3 SAMPLING TECHNIQUE.....	36
3.4 METHOD OF DATA COLLECTION.....	36
3.5 METHODS OF DATA ANALYSIS.....	37
3.6 LIMITATION/PRACTICAL PROBLEMS.....	37
CHAPTER FOUR: ECONOMIC ANALYSIS OF THE RESEARCH.....	39
4.1 INTRODUCTION.....	39
CHAPTER FIVE: POLITICAL AND SOCIO-CULTURAL ANALYSIS.....	55
CHAPTER SIX: SUMMARY OF FINDINGS, THEORETICAL IMPLICATIONS AND CONCLUSION.....	63
6.1 SUMMARY OF FINDINGS.....	63
6.2 THEORETICAL IMPLICATIONS.....	64
6.3 CONCLUSION.....	65
REFERENCES.....	67
SITES VISITED.....	70

List of Tables

TABLE 1: DISTRICT CREATION IN UGANDA	32
TABLE 2: NUMBER OF DISTRICTS IN UGANDA BY 1990 AND HOW IT MULTIPLIED TILL 2006.....	33
TABLE 3: SAMPLE SIZE OF RESPONDENTS.	37
TABLE 4: EXPANSION IN DISTRICTS AND ADMINISTRATIVE DISTRICT- LEVEL JOBS.....	44
TABLE 5: COST OF SELECTED SERVICES	46
TABLE 6: CENTRAL RELEASES TO LGs SINCE FY: 2003/04.....	48
TABLE 7: PER CAPITA EXPENDITURE OF LIRA DISTRICT BEFORE SEPARATION	49
TABLE 8: PER CAPITA EXPENDITURE OF LIRA DISTRICT AFTER SEPARATION	49
TABLE 9: DISTANCE TRAVELLED TO ACCESS PRIMARY SCHOOLS.....	51
TABLE 10: HEALTH SERVICES AVAILABLE IN LIRA.....	51
TABLE 11: ACCESS TO CLEAN WATER IN DOKOLO	53
TABLE 12: ROADS IN LIRA	54

List of Acronyms

CAO	Chief Administrative Officer
CP	Conservative Party
DCAO	Deputy Chief Administrative Officer
DP	Democratic Party
FDC	Forum for Democratic Change
JEMA	Justice Forum
LC	Local Council
LG	Local Governments
LGA	Local Governments Act
LLC	Lower Local Council
MoLG	Ministry of Local Government
NAADS	National Agricultural Advisory Services
NGO	Non-Governmental Organization
NRM-O	National Resistance Movement Organization
NUSAF	Northern Uganda Social Action Fund
OPD	Out Patient Department
PAF	Poverty Action Fund
PMA	Plan for Modernization of Agriculture
RC	Resistance Council
RDC	Resident District Commissioner
SAACOS	Saving and Co-operative Association
TC	Town Clerk
UPC	Uganda People's Congress
UPDF	Uganda People's Defence Force
VIP	Ventilated Pit Latrine

Abstract

The practice of creating LG jurisdictions has various reasons to support it and these reasons are economic, political and/or socio-cultural. It is part of the reform policy that promotes local governance. The administrative hierarchy promotes communication between the population, local and CG leaders. Through the LC, political participation and accountability have been enhanced, improved service delivery and creation of employment opportunities. In Uganda, the 1993 Resistance Council, (RC) Statute provided the principle of “non-subordination” to prevent domination of Higher LGs over Lower LGs. Creation of LG jurisdiction has become an unending practice in Uganda since independence. In 1968 there were 17 districts, 1971, they were 19, 1974 they were 37, January 1979, they were 40, may 1979 they were reduced to 22, but in 1980 they were increased to 33. Between 1990 and 1997 11 district LGs were created raising the number from 34 to 45. In 2000, 11 more districts were created bringing the number to 56. In 2005, 22 more districts were created bringing the number to 78 and by 2008; the number of districts had risen to 83. The research was conducted in seven districts with the objective of assessing the reasons, processes, pattern and the challenges that frequent creation of districts pose to CG, LGs and citizens.

The study found out that politics more than the economic and/or socio-cultural reasons influenced the creation of districts in Uganda. The cost of running LGs out weigh the intended benefits, and decentralization practices in Uganda goes beyond the available theories of decentralization. There is a lot of patronage and clientalism and this has made decentralization in Uganda to lose its meaning. In a nut shell, the practice of creating LG jurisdictions in Uganda is just like dancing than being a critical policy issue.

Keywords

Decentralization, Local Government Jurisdictions, Service Delivery, Empowerment, Accountability, Economies of Scale.

Chapter One: Background and Indication of the Problem

1.1 Introduction

Basing on the available theories, the practice of creating LG jurisdictions has various reasons to support it and these reasons are economic, political and/or socio-cultural. As argued by Oates, economists draw their argument from market theory of local expenditures and argue that a decentralized system of governance helps to improve resource allocation through better knowledge of local preferences and competition among localities, (Falleti 2005). Decision-making and a strong role of local governments is advocated for basing on the grounds of efficiency, accountability, manageability and autonomy.

The notion of centralization was common among the post colonial states in the 1960's and the arguments for it were: need to carry out development planning centrally so that development activities could be controlled, there was also clamour for new ways of managing development programmes and projects which was brought about by the emergence of growth-with-equity strategies, and it was easy at that time to manage and plan development activities since the society had not yet become more complex as of now. The shift from central authority to local authority was observed in Asia, Latin America and Africa in the 1970's as a result of disillusionment with centralized system of governance, (Brillantes and Cuachon 2002:1).

Increased people's awareness and civic consciousness as a result of globalization created more opportunities for participation in governance in Asian countries. This was coupled with the impact of economic and social changes in the last 20 years as cited by the Asian Development Bank in the field of liberalization, privatization and market reforms which brought forth new demands on central governments prompting them to reassess their limited capability to deliver services effectively. The growing demand for participation in governance and the change in the perception of donors in support of better governance which has linked effective governance with local participation and autonomy also contributed to such reform and it made decentralization to become fashionable, (Brillantes and Cuachon 2002:1).

Decentralization refers to the transfer of authority on a geographic basis whether by deconcentration (i.e. delegation) of administrative authority to field units of (Government of Uganda 2006d) the same department or level of government or by the political devolution of authority to local government, (LGs) units or special statutory bodies, (Brillantes and Cuachon, 2002: 2). It is part of the reform policy that promotes local governance. As argued by Bennett, the debate about decentralization has several variations associated with it. In some cases the emphasis is purely on

governmental reforms where responsibilities are shifted from central governments, (CG) to LGs while in other cases it is a mixture of governmental reforms and that of market stimulation. Despite this difficulty in getting a unified definition, decentralization is a concept which leads to radical changes in constitutional, financial and other structures in many countries, (Bennett 1990, Robert 1990). United Nations Development Programme sees decentralization as a logical application of the core characteristics of good governance at sub-national and local levels. By good governance it means basing political, social and economic priorities on broad consensus of the society and groups like the poorest and the most vulnerable are given audience during decision-making regarding allocation and utilization of scarce resources for development, (*ibid*). One of the processes of decentralization is the creation of LG jurisdictions, that is to say: geo-political division of the state into smaller jurisdictions. This process has political, economic, and socio-cultural benefits. Some of the arguments in support of creating smaller LG jurisdictions include: maximization of economies of scale, economies of small scope, promotion of popular participation by the majority, proximity in terms of accessibility for services, promotion of unity among small local groups with common identity, autonomy and self governance. Subsidiarity argument says; human beings are linked to the society through small and intermediate size organs or institutions such as family, the church, associations and ethnicity; and that matters affecting people ought to be handled by the smaller /lowest component of authority.

1.2 Background and Indication of the Problem

LGs are specific institutions/entities created to deliver a range of specified services to people in a relatively small geographically delineated area. The question which may come here is; how do we designate an area to become a LG jurisdiction? Uganda's local governance system became centralized in 1967 when a new Constitution referred to as "Pigeon Hole Constitution" was introduced by the then Executive Prime Minister Obote to abolish federal institutions from the 1962 Constitution of Uganda.¹ As argued by Mugabi, the rationale for decentralization in Uganda was political and it was a move to reverse the recentralization policy which was enshrined in the 1967 Contitution. The independence Constitution of 1962 established a highly decentralized system of

¹ The Constitution was referred to as pigeon hole because was produced and distributed to Members of Parliament's pigeon holes without consultation. It was enacted to abolish federal governance in Uganda after a military confrontation between central government and Buganda government whose King was the President of Uganda in 1966, and Obote was the Executive Prime Minister. Uganda became a Republic with Obote becoming the first Executive President.

governance, where federal systems of governance, semi-federal and district administration were in place, (Mugabi 2006). Kingdoms were given autonomy, which they used it to challenge the CG authority and the result was the 1996 crisis where all federal governments were abolished and powers given to local authorities then centralised, (Republic of Uganda 1987:9).

When National Resistance Movement, (NRM)² came to power, it wanted to set up African model of democracy – the African mode of institutional arrangement of no party democracy. To that effect a Commission of Enquiry was set up in 1987 to review the performance of LGs in Uganda. Its report prompted the introduction of decentralization policy to be piloted in 13 districts of Uganda in 1994.

The pilot phase succeeded in institutional strengthening such as; establishing the institutional framework such as entrenchment of decentralization policy in the national constitution, and enactment of Local Governments Act, 1997, entrenchment of political structure of local councils and made them operational. Administrative set up of LGs was also strengthened where currently 75 per cent of the public service work force is employed. Substantial progress has been made also on fiscal decentralization where 38 per cent of the national budget is spent through local government system, empowerment and promotion of participatory development, (Okidi and Guloba 2006). The administrative hierarchy promoted communication between the population, local and CG leaders. Through the LC, political participation and accountability have been enhanced, improved service delivery and creation of employment opportunities, (Government of Uganda 2006b). The 1993 Resistance Council, (RC) Statute provided the principle of “non-subordination” to prevent domination of Higher LGs over Lower LGs. Decentralization was entrenched in the Constitution of 1995, (Uganda 2006) , and Local Governments Act, (LGA) of 1997, (Government of Uganda 2006c). It gave clear roles and responsibilities between Central and LGs, LCs were given powers which were vested in the minister responsible for LG under Local Administration Act of 1967: approval of Development Plans, and Budgets, overseeing implementation of plans, programmes and projects implemented by CG in their respective areas, appointment of Statutory Bodies such as District Public Service Commission, Land Board, District Public Accounts Committee, Create and dissolve offices as deemed fit, hire, discipline, manage and fire staff. By the middle of 1990s the CG had created both systems of regular and direct elections at local levels with all the powers which

² NRM was the political wing of the then National Resistance Army which started a rebellion against an elected government in 1980 and came to power after overthrowing a military junta which was in power from 1985 – 1986. Since then it ruled Uganda under a single party government, but it transformed itself into a political organization, (NRM – O) in 2005.

were vested in centrally appointed technocrats transferred to locally elected politicians, (Green 2008). The Chairpersons L.C.V became the political heads while the Chief Administrative Officers, (CAOs) became the executive head of district.

Until 2006 when the Constitution of, 1995 was amended, Local Council system operated as Movement structures with both political and developmental roles, LC I – V, (Saito 2002). Decentralization in Uganda gave ordinary people chance to participate in decision-making. Under Article 176 of the Constitution, administrative, political and financial responsibilities were devolved to the LGs, (Government of Uganda 2006a). And this constitutional provision was operationalised by enactment of the LGA, 1997. The constitution specified the principle of decentralisation by the devolution and defined the LG entities. This was further detailed in the 1997 LGA that elaborates on the LG set-up and structures, local government responsibilities for service delivery, revenue sharing arrangements between different levels of LGs, election procedures for local leaders as well as arrangements for CG coordination, monitoring and inspection. The entrenchment of the decentralisation policy in the laws of the country shows a high degree of government commitment to strengthening and deepening decentralisation as a means of promoting democracy. Among the major services decentralized to LGs in Uganda include: primary education, agricultural field services, markets, community health-based services, regulations, maintenance of community infrastructures, and any functions that the council deem fit in agreement with the lower local councils, (LLCs),³ (Government of Uganda 2006d).

Since 1990, the government of Uganda has been creating more LG jurisdictions. Between 1990 and 1997 11 district LGs were created raising the number from 34 to 45. In 2000, 11 more districts were created bringing the number to 56. In 2005, 22 more districts were created bringing the number to 78 and by 2008; the number of districts had risen to 83.

However, what has become of concern for Uganda is that it has turned decentralization to creation of many LG jurisdictions. The questions to be asked therefore is: has Uganda not yet reached its point of diminishing return or threshold capacity where continuous creation of many LG jurisdictions is no longer sustainable, and the cost of creating additional district outweighs its intended benefit? What is the driving force behind this rapid rate of creating many LGs in Uganda? Who are the actors, and does politics, economic, or socio-cultural reasons influencing the rampant

³ LLCs refer to those local governments below the district local governments such as local council IV, III, II and I.

mushrooming of districts in Uganda? The research aimed at examining the pattern of creation of LGs in Uganda for a period the between 1990 and 2008⁴.

1.3 Research Objectives

The research objectives were:

1. To examine the pattern of creation of LG jurisdictions in Uganda.
2. To critically analyse political, economic, and socio-cultural reasons for the creation of LG jurisdiction in Uganda.
3. To assess the challenges that frequent creation of districts poses to CG, LGs and citizens.

1.4 Research Question

What are the political, economic, and socio-cultural arguments for creation of LG jurisdictions and how do these resonate with Uganda's case?

1.5 Research Sub-questions:

- 1 What is the rationale for creation of LG jurisdiction in Uganda?
- 2 Is there clear pattern or criteria for creating districts in Uganda?
- 3 How much does it cost to establish a LG jurisdiction in Uganda?
- 4 What challenges does frequent creation of districts pose to CG, LGs and citizens?

1.6 Thesis Organization

In chapter one, the general introduction to the study, indication of the problem, objectives and research questions has been presented. Relevant literatures on the theories of creating LG jurisdictions are presented in chapter two. In chapter three, the research is operationalised, where Uganda's profile, process of creating LGs in Uganda, sampling techniques, method of data collection, analysis

⁴ Much as the NRM-O government came to power in Uganda in 1986, the first district to be created under its regime was Kalangala district in 1990.

and limitation of the study are presented. Economic analysis is presented in chapter four. Political and socio-cultural analysis is presented in chapter five, and in chapter six, the research summary, theoretical implication and conclusion is presented.

Chapter Two: Creation of Local Government jurisdictions: Theoretical Review

2.1 Introduction

In this chapter literature relevant to the concepts used in this research are presented. The concepts discussed here are political, economic and socio-cultural and have therefore formed the conceptual framework of this research.

2.2 Political Arguments

Intergovernmental Relations School

This school acknowledges wide and varied interactions between supranational, national, regional and LG, which is a vertical relationships, and relationships between governments within one sphere, which is a horizontal relationship. It assumes that the relationship between different levels of governments is complex mixing power with responsibilities. This relationship is viewed to be mutual, where one relies on the other or both in the performance of certain function or functional components, (Chanie 2007). As argued by Helmsing (1996), this relationship is believed to be complex because of the changes in the respective roles of both local and CGs as demonstrated by increasing changes in LGs' increasing roles in delivering most of social services suitable for local demands and LGs' active role in promotion of local economic development. CG's involvement in decisions which are purely local in the form of financial conditionalities is also queried since it undermines LGs' potential for own initiatives, self-reliance and self-help, (Chanie 2007:65).

Under this school there is also the element of local autonomy. Local Autonomy is a concept of how powers of social institutions ought to be geographically arranged. It is thus defined by two specific powers: initiation and immunity. Autonomy also defines the extent of local discretion in terms of LG functions, actions and legitimate behaviours. Initiation refers to the actions of LGs in carrying out their rightful duties, while immunity is essentially the power of localities to act without fear of the oversight authority of higher tier of state. Immunity allows LGs to act in whatever way they wish

so long as it is within their limits given by their initiative powers, (Clark 1984). An example of immunity would be LGs' regulating land use in accordance with the law that authorise them to do so without any outside review agency. According to Clark, local autonomy gives LGs power to respond to local preferences and these preferences becomes tasks of LGs, (*ibid*).

Institutional Approach

The institutional approach to decentralization argues that there is more to the design of decentralized system than just allocation of expenditure and revenue responsibilities to levels of government. As argued by Azfar, *et al*, (1999) and Litvack, *et al*, (1998), institutions determine the success of decentralization, and by institution it means the rule of the game in society or incentives and constraints that influence human behaviour, organization and other means that enforce the rules, (Chanie 2007:76). The approach maintains a strong linkage between decentralization and institutions. Its main argument is that decentralization entails broad-based political, administrative and fiscal reforms with influence on various sectors and levels of government and that adequate institutional analysis is necessary to design and implement decentralization successfully. Proponents of this approach argue that there are studies, evidence and theoretical works which confirms that success in decentralized service delivery depends on the institutional arrangements that govern its implementation. It also doubts the effectiveness of other theories of decentralization which pays less attention to how decentralization policies is designed and implemented in disparate institutional settings. According to this approach, the reason why decentralization policy may fail in many developing countries is because of the misfit between the principles of decentralization with in the context of developed countries and existing institutional settings in the developing countries, (*ibid*). This institutional weaknesses include inability of local people to vote out their leaders out of power, absence of opportunity for "voting with feet," unpredictable and secretive decision-making by office holders, lack of broad-based participation, irresponsive and authoritarian government, elite capture, weak market for land, labour and capital, ineffective

formal rules and oversight, arrangements among others, Litvack *et al* (1998) in (Chanie 2007). According to Bahl (1999) cited in (Chanie 2007), he regards intergovernmental fiscal relationship as a comprehensive system and political autonomy as the most crucial element of decentralization system. He argues that efficiency gains from decentralization will be captured and accountability will be up wards if LCs is not elected locally or if higher level of government appoints the local leadership. He also stressed the need for CG to be transparent and adhere to the rules guiding the centre–region relationship, (*ibid*).

Democratic Decentralization Theory

Theory of democratic decentralization maintains that decentralization encompasses not only transfer of decision-making power and resources to lower levels of government, but also local authority to demand for accountability and enhancement of public participation in the local political process. It advocates for the process where by citizens are given meaningful role in local decisions that affects them, (participation) and increasingly popular control over what LG have done or left undone, (accountability). This is aimed at improving service delivery, matching social services with local needs, mobilising local resources and increasing equity in the use of public resources as expected outputs, (Chanie 2007:90).

The proponents of this theory argue that there is nothing less than full participation in the policy-making in all organizations. They are not satisfied with limitations to electoral access to political leadership during periodic elections only, but insist upon full participation of individual citizens rather than partial or pseudo participation, (Hart 1972). Advocates for this participatory democracy criticise traditional justification of contemporary representative democracy, which they believe provides only for partial citizen participation at best, and at worst compel pseudo-participation and to them, competition for votes encourages manipulation of citizens. The solution to this manipulation according to them should be immediate pervasive changes in all political, economic and social systems to allow maximum citizen participation.

By interpretation of the argument, decentralization of political powers to the local population is the best way of achieving participatory democracy.

Liberal traditionalists such as Falleti, Diamond and Tsalik (1999), argue that decentralization helps to deepen and consolidate democracy by devolving power to LGs, (Falleti 2005). It is argued that political and electoral reforms associated with decentralization have left political leaders accountable to their constituencies. Larger transfer of resources and authorities has also brought sub-national government to the fore front of politics. LGs must be able meet certain basic requirements if they are to be able to solve problems effectively. These requirements include LGs' ability to identify problems, prioritise issues, mobilise resources to implement the set priorities, evaluate their performances and learn from it and should maintain their popular legitimacy. They should at least have a defined geographical area and population of reasonable size where they can balance between the scale of problems and resource availability to serve the community. LGs should also have authority and working institutions that make decisions and enforce accountability to their population, (Olowu and Wunsch 2004:7).

According to Ostrom (1990) the political process must provide accountability to the local population and open political participation is encouraged coupled with a stable set of rules to organize local affairs, (*ibid*). This therefore implies that there has to be a balance between the economic reasons and political reasons to support creation of a LG. It also means that the optimal point of creating another LG should be at a point where there is convergence which maximises both the economic and political benefits. There should be harmonization of economic and political needs for decentralization to have a meaningful logic.

In Africa the situation is a bit unique compared to the western logic of democracy where individual political act, such as voting can be meaningful regardless of the social context within which it is cast. Politics in Africa is strongly embedded in the idea of reciprocity and its aspects in a large degree are driven by what is referred to as imperative of exchange. The logic of this action is that there is induced expectation of reciprocity between the parties

involved. Because of the concept of individual in Africa, relations between people must also be seen as taking into account the communal of which they are part of and this can only be possible when there is a clear recognition of the nature of the exchange involved, (Chabal and Daloz 1999:157-158). The individual relationship is vertical within the political system defining the feature of patrimonialism. The major aim of political elites is not just to get into power, but fundamentally is to use that power and the resources which it can generate to purchase the affection of their people, (*ibid*).

According to the personal rule paradigm, the standard popular image of Africa is a continent of corrupt dictators who preside over fractious population, and this is described as “Big Man” politics. The key characteristics of this system are that: appointment and position generally depend on loyalty to one’s superior and not on adherence to impersonal norms, transactions are personalized and office is treated as a form of personal property and a source of private gain, and there is a clear sense of a public interest that transcends private ones does not exist. Personal rule is often used as a short hand to describe the prevalence of patronage politics in Africa, where distribution of public goods such as offices, public works projects, permits, tax breaks and so on are carried out in return to political loyalty. The state operates less according to procedural rules and more by personal relationships of clientalism, (Leonard and Straus 2003:2).

2.3 Economic Arguments

Welfare Economic Model

The model analyses how an economic system attains equitable distribution of income and efficient allocation of resources. It offers a broader insight into the role of government in the market economy and the division of economic functions among levels of government. As pointed out by Musgrave (1989), the role of government in market economy include enhancing the role of the market to provide what consumers want most and in the cheapest way – efficient resource utilization, provision of the required legal structures needed

their voters, there is a strong argument to assign the provision of local public goods and factors to the local level, (Wellisch 2000:192,195). Although the benefits of some decentralization are obvious, the question arises about the optimal degree of decentralization and optimal structure of jurisdiction, and this call for taking into account several aspects in service delivery. This has to be done to avoid public good spillovers effects and their interregional externalities due to decentralized government behaviour. This would require, as argued in the principle of fiscal equivalency, jurisdiction of different size of each public good and would call for a small LG in size as possible because small LGs are more sensitive to the wishes of their citizens, (Wellisch 2000:196). As argued by Olson, the principle of fiscal equivalency is related to the idea of designing of jurisdiction basing on the principle of public choice literature. The proposition in this principle is that if a political jurisdiction and benefit of an area overlap, the free-rider problem is overcome and the marginal benefit equals the marginal cost of production thereby ensuring optimal provision of public service. The principle requires a separate indication for each public service, (Shah 2006:3).

Oates (1972), basing on correspondence principle argues that, jurisdiction that determines the level of provision of public good should include individuals who consume the goods. The principle requires a large number of overlapping jurisdiction. He cited Frey and Eichenberger (1995, 96, 99) who extended this argument by defining concepts of functional, overlapping and competing jurisdiction. Their argument is that; jurisdiction could be organized along functional lines while overlapping is organized geographically. Individuals and community members should be free to choose from among competing jurisdictions. They also went further to say that individuals and community members express their preferences directly through initiatives and referenda. Jurisdiction has authority over their members and the power to raise taxes to fulfil their tasks. This is practiced by school communities of Swiss canton of Zurich and special districts in North America, (Shah 2006:3-4).

Allocative efficiency principle argues that; LGs should provide goods which are consumed and paid for within their jurisdiction so as to avoid provision of public goods with spill over effect or non-excludability. CG is responsible for provision of goods and services with nationwide benefit incidence or with a high degree, (Chanie 2007). This argument is in line with decentralization theorem advanced by Oates (1972), which says that “each public service should be provided by the jurisdiction having control over the minimum geographic area that would internalize benefit and cost of such provision,”(Shah 2006:4). The argument here is LGs understand the concern of local residents, local decision-making is responsible to the people to whom services are intended, unnecessary layers of jurisdiction and bureaucracy are eliminated and interjurisdictional competition and innovation are enhanced. Oates further argued that an ideal decentralised system should ensure that there is a levelled and combination of public services which is consistent with the voters’ preferences while providing incentives for efficient provision of such services. He went on to say that there should be a degree of central control or compensatory grants for provision of certain services as a result of externalities, economies of scale, administrative and compliance costs, (*ibid*). However, he also pointed out the difficulty in assigning expenditure responsibility among levels of governments. The problem arises from the variability of the size of the group that jointly consume the good, interjurisdictional externalities, the decision-making cost of public action, and the cost of congestion resulting from mobility of consumers and he recommends sticking to the principles of allocation and production efficiency and using intergovernmental grants to deal with imperfect correspondence. Tiebout argues that local provision of goods and services such as immunization, education, is efficient where the benefits are local and central provision is efficient where benefits are nationwide; and that decentralization creates small decision-making units or communities that have full autonomy in public good provision to maximise their benefits while minimizing costs, (Chanie 2007:58).

The proposition by Stigler, (1957) in his Stigler menu is that; the closer a representative government to the people, the better it works – this is referred to as allocative efficiency. His main arguments are that people should have the right to vote for the kind and amount of public services they want. He also argues that the size of LG depends on the economies of scale and the benefit-cost spillovers. This proposition is similar to the model adopted by Switzerland where LGs are autonomous in fiscal, immigration, citizenship, language and foreign economic relations. It is reinforced by great democracy where local people can demand for a constitutional amendment through a referendum and petition. Switzerland has 26 cantons and 2,842 communes and each canton has got its own constitution, parliament, government and court. This shows the highest level of decentralised local governance. The positive side of these two arguments is that the local governments operate as powerful and autonomous unit, but it can also undermine the role of the central government since local governments will be self-reliant.

Following Oates' argument, the underlying assumptions are that; LGs will be more responsive to the needs of the citizens and take their preference into consideration when planning for the services to be delivered and the cost of delivery, LGs will have financial capacity to provide services to the local people through a combination of inter-governmental transfers and local taxation, and there will be adequate administrative capacity to deliver the expected increase in the production of local services, (Robinson 2007b).

2.4 Socio-Cultural arguments

Subsidiarity principles of decentralization says, human beings are linked to the society through small and intermediate sized organs or institutions such as the family, the church, associations, and ethnicity; and that matters affecting people ought to be handled by the smallest or lowest competent authority. The arguments here are that governments should undertake only those initiatives that exceed the capacity of individuals and groups acting individually. CG should perform only those functions which cannot be performed effectively at

the immediate local levels. Issues to do with taxation, spending and regulatory functions should be performed by the LGs so long as there is no convincing argument to assign them to CG, (Shah 2006). This is mainly because of the benefits associated with decentralization which promote efficiency in the utilization of the available scarce resources. The Principle originates from the social teaching of the Roman Catholic Church as an option between dictatorship and laissez-faire approach to governance. This principle appears to be prominent among the Nordic countries which believe in small local governments of a population less than 10,000 inhabitants and self-financing.

Ethnic argument was prominent in the Ethiopian decentralization system. With the rationale of uniting the different and often competing ethnic groups, the then political party in power put in place a system of decentralization which is based on the ethno-linguistic pattern. The Ethiopian Federal Constitution of 1995 stated that, “every nationality and people has the right to a full measure of self-government which includes the right to establish institutions of government in the territory that it inhabits and to equitable representation in state and federal government,” (Teferra 2003:21). It also guaranteed every ethnic group in the country the right to self-determination up to and including secession from the state, (*ibid*).

Shah argues that a synthesis of conceptual literature suggests that modern role of LGs is to deal with market failures. LGs are required to operate as purchaser of local services, facilitator of networks of government provider and entities beyond government, gate-keeper, and overseer of state and national government. LGs have to create synergies among various entities and networks to ensure that all the opportunities available are utilized for the benefit of the community they serve. He went on to say globalization and revolution in the information technology are factors that have played the catalytic role in the performance of local governments. This is further backed by the arguments in the developed countries which say LGs was the primary form of government until wars and conquest led to centralization of responsibilities. That globalization and information revolution exposed the weaknesses of centralized rule in improving the quality of life of the local

people and social outcomes. This argument is in favour of the leadership role of LGs in multicentred, multiorder or multi-level system, (Shah 2006). This view is critical in creating and sustaining citizen-centred governance. Citizens are viewed as sovereign and LGs should serve as agents to provide public governance for them. In developing countries, such citizens' empowerment may be the only way to reform public sector governance when CGs are either willing or unable to reform themselves, (Shah 2006:36).

Chapter Three: Operationalization of the Research

3.1 Introduction

In this chapter the profile of Uganda is given and an analysis of the origin of decentralization in Uganda, the achievement registered and the challenges decentralization is facing in Uganda are also presented. An examination is also made on how the number of local governments started to increase as a result of decentralization. To understand the practice of creating LGs in Uganda better, it is important to proper to make a historical reflection on the period from 1986 when President Museveni with his NRM started radical decentralization process in Uganda.

3.2 Uganda's Profile

Uganda is one of the East African countries bordered in the west by Democratic Republic of Congo, in the north by Sudan, in the East by Kenya and in the south by Tanzania and Rwanda. The total area of Uganda is 236,040 sq. km with the total population of 30,262,610 (estimate of 2007). The annual population growth rate is 3.6 per cent. It is divided into four regions which are not administrative. Uganda has a unitary system of government where there are only two levels of governments: CG and LGs only. It is a country with one City called Kampala which is both Administrative and Commercial city, and 83 districts. Under LG, there are Districts, Municipalities, Town Councils and Sub-counties. By 1990, Uganda had 33 districts and the number started increasing with the creation of Kalangala district in 1990 from Masaka district.

Uganda has experienced decentralization both as a system and as a process of devolution of power from the centre to local authorities. Historically, three phases of decentralization can be distinguished, (Okidi and Guloba 2006). Uganda being a country of many nationalities, (ethnic groupings), any increase in the difference in the socio-economic development of different areas would turn out simultaneously into widening disparities between different nationalities and this has been a mixture that would immediately pull the country apart, making it socially and politically volatile.

This demarcated the shift in the relationship between the central and local authorities by the time of independence. Basing on this background, decentralization history of Uganda can be categorised into two phases. The first phase had a backdrop of semi-federal “independence” constitution which devolved power to local authorities in the context of weak central government. It was an arrangement which gave substantial autonomy the kingdoms areas such as Buganda in Central, Ankole in South Western, Busoga in Eastern and Bunyoro in Southern Uganda, while also giving to the elected district councils in the rest of the country power to enact bye-laws and dispense services, (Republic of Uganda 1987:8-9). The conflict resulting from the relationship between CG and local authorities resulted into 1966 constitutional crisis and abrogation of the semi-federal constitution.

The second phase was the unitary constitution of 1967 where central government did not only established effective control over local authorities, but did this in a dictatorial manner that put an end to all local-level democratic institutions that would give forms to local initiatives, (Republic of Uganda 1987).

The third phase was from 1987 to date where the country have seen significant devolution of power to LGs, (Onyach-Olaa 2003). Uganda’s post colonial history has been notorious, most prominently due to misrule of Idi Amin in the 1970s⁵ and brutal civil war in the early 1980s, (Green 2008). After the coming of President Museveni into power in January 1986, several reforms started to take place, where introduction of LC system being the most important one. LC have five levels from village up to District Level - LC I – V, (Green 2008 :3). The NRM government fully supported devolution of power as part of the broader strategy to restore state’s credibility among people and deepen democracy. A Commission of Enquiry headed by Professor

⁵ Amin was the then Army Commander of Uganda Army who staged a coup d’état against President Obote in January 25th 1971 and ruled Uganda as a military government until 1979.

Mohamud Mamdan was formed by government in 1987 to review LG System and propose appropriate adjustment. The report recommended that:

“there was need to develop an effective, viable and representative local authority in an institutional set up that will give life to two complementary principles: a national plan that provides an overall development framework creating a centrifugal tendencies in the political economy, and a local set up that makes up a possible local initiatives that are realised in the context of this overall national framework and one crystallized as a result of a democratic process from below,” (Republic of Uganda 1987:10).

Basing on this report, government of Uganda in 1992 devolve power to LGs under The Presidential Policy Statement. In 1993 decentralization taking the devolution form was piloted in 13 districts under RC Statute of 1993, which was then rolled over to all districts in 1994.

Decentralization coupled with other reforms that took place when President Museveni came into power such as currency devolution, privatization of public parastatal, civil service reforms, reduction of the number of national army , introduction of a no party competitive politics and elimination of state monopoly in trade made Uganda a ‘donor darling’ through out the period of 1990s. While Museveni is praised for these reforms some aspects of his rule have come under criticism both in the scholarly circle, donor community and the general public in Uganda. One of the areas he has been severely criticised in is the rampant creation of new districts in Uganda. In the Professor Mahamood Mamdani Commission in which Professor Apollo Nsibambi the current Prime Minister of Uganda was a member wrote in their report that in the bid to respond to popular demand for better services through creation of new and smaller local government units, there is no doubt that the multiplication of administrative units is a costly affair, (Green 2008 :4).

The Commission argued in their report basing on the explosion of administrative units with associated costs in the 1970s under the leadership of Idi Amin where he introduced ten provincial governments in 1974 while also doubling the number of districts from 19 to 37. The Commission recommended that no new district and any additional administrative units be created, bearing in mind that these would increase unproductive cost of administration, both in terms of creating an administrative infrastructure and

payment of personnel. In other words the commission recommended that given their strong view that the exercise of creating new districts over the past decade and a half has been arbitrary, haphazard and hardly defensible, a review of the status of the existing districts be made with the view to de-grade those which do not meet minimum criteria, and should such a review be undertaken, undoubtedly it would result into a large number of newly created districts losing their existing status, (Green 2008 :4). It is reported that after several months of touring the county, the Commission accumulated eleven requests for creation of new districts out of which it recommended only four. Museveni failed to pursue the review of the existing districts by then as recommended by the Commission, but instead withheld the creation of any new district, only relenting on the case of Kalangala which comprised of the Ssesse islands in Lake Victoria in 1990. The reason Kalangala was granted a district status was it being isolated from the main land. Its geo-position justified it being an autonomous district. The other three were created in the following year while adding Kiboga to it, (*ibid*).

As argued by Green, political economists have had a long standing and raging debate about the relationship between decentralization and conflict with much discussion about how and what functions of government should be decentralized to the local level. He said there has been little debate on two aspects of decentralization; the first one is on which level of LG power should be decentralized and the second one is on what basis new decentralized districts should be created, (Green 2006). Green argued that while Uganda's decentralization helped to reduce conflicts at national level, it replaced it with local-level conflict. This happened in two ways; through concentration of local power at the district level, which led to struggles over district leadership positions. The second way is through huge expansion in the number of new districts, which also led to local-level struggles in the fight to create districts, a phenomenon that has become especially pernicious due to the de facto creation of new districts along ethnic lines, (*ibid*).

According to the study carried out by Economic Policy Research Centre – Uganda, decentralization in Uganda became vulnerable as a result of political reform which exposed it to vulnerable undue political influence for short-term gains by people occupying political offices. When the NRM government under President Museveni was preparing Uganda for a multiparty competitive politics in the early 2000, decentralization lost its meaning of being a vehicle for delivering democracy to local people and provision of efficient service delivery to an instrument of promoting selfish political interest of NRM government. The creation of obviously unviable districts is the key pointer, with administrative job creation and fulfilment of political campaign promises being the major drivers. By creating so many districts, Uganda has run the risk of excessive decentralization, which has lowered local level of economic growth since allocating budgetary resources to less productive levels of government is harmful to economic efficiency and compromised the over all growth.

From 1994, Museveni started adding new districts and the year 2005 being the memorable year where he announced creation of 22 new districts the largest increase ever in the history of Uganda, (*ibid*). Uganda now have 83 districts more than twice the number when Museveni came to power in 1986 and more than four times as many as when Amin took power in 1971.

Table 1: District Creation in Uganda

Year	Number of Districts	Population per District
1959	16	443,000
1962	17	456,365
1968	18	513,711
1971	19	526,853
1974	37	292,211
1979	33	368,115
1990	34	513,412
1991	38	476,474
1994	39	514,256
1997	45	455,718
2000	56	427,786
2005	70	402,843
2006	80	383,071

Source: (Green 2008 :5)

By the time Green carried out this research, the number of districts were 80, but currently they are 83. Increased political freedom and power have also negatively affected the revenue base of local governments. Both local and national political leaders influence tax assessments by putting their political supporters in lower tax brackets. Even after privatising tax collection, the process of awarding contract is ridden by the same problem that privatization intended to avoid such as inefficiency, corruption and political patronage leading to poor revenue collection. The suspension of graduated tax which turned out to be a political blunder rather than promoting economic growth and development have greatly affected the performance of LGs. To make it worse, fragmentation of district is grossly inconsistent with the need to strengthen LGs' revenue, technical capacity and autonomy, (Okidi and Guloba 2006).

Table 2: Number of districts in Uganda by 1990 and how it multiplied till 2006.

SN	Old	New	Year	Tribe	Population
Northern Region					
	Nebbi	Nebbi		Alur	435,360
	Arua	Arua		Lugbara	310,810
		Koboko	2005	Kakwa	129,148
		Nyadri	2006	Lugbara	302,109
		Yumbe	2000	Aringa	251,784
	Kitgum	Kitgum		Acholi	282,375
		Pader	2000	Acholi	326,338
	Gulu	Gulu		Acholi	339,537
		Amuru	2006	Acholi	135,723
	Lira	Lira		Lango	629,846
		Amolatar	2005	Lango	96,189
		Dokolo	2006	Lango	129,000
	Apac	Apac		Lango	415,578
		Oyam	2006	Lango	268,415
	Moyo	Moyo		Madi	194,778
		Adjumani		Madi	202,290
	Kotido	Kotido		Karamojong	171,684
		Kaabong	2005	Karamojong	379,778
		Abim	2006	Karamojong	40,671
	Moroto	Moroto		Karamojong	189,940
		Nakapiripirit	2000	Karamojong	154,494
Eastern Region					
	Soroti	Soroti		Itesot	474,568
		Katakwi	1997	Itesot	179,026
		Amuria ⁶	2005	Itesot	119,924
		Kaberamaido	2000	Kumam	160,278
	Kumi	Kumi		Itesot	267,232
		Bukedea	2006	Itesot	122,433
	Kapchorwa	Kapchorwa		Sabiny	141,439
		Bukwo	2005	Sabiny	48,952
	Mbale	Mbale		Bagisu	333,696
		Sironko	2000	Bagisu	283,092
		Manafwa	2005	Bagisu	123,108
	Kamuli	Kamuli		Basoga	516,066
		Kaliro	2005	Basoga	191,266
	Tororo	Tororo		Japadhola	242,910
		Pallisa	1991	Itesot	384,089
		Budaka ⁷	2005		136,489
		Butaleja	2005	Banyole	157,489
		Busia	1997	Basamia	225,008
	Iganga	Iganga		Basoga	386,442
		Bugiri	1997	Basoga	412,395
		Busuki	2006	Basoga	167,691
		Mayuge	2000	Basoga	324,674
		Namutumba	2005	Basoga	35,167
		Bugweri	2005	Basoga	119,607
	Jinja	Jinja		Basoga	387,573
Central Region					
	Kampala	Kampala		Mixed Tribes ⁸	1,189,142
	Masindi	Masindi		Banyoro	396,127
		Buliisa	2006	Banyoro	63,363
	Mukono	Mukono		Baganda	795,393
		Kayunga	2000	Baganda	294,613

⁶ Amuria was curved out of Katakwi

⁷ Budaka was curved out of Pallisa

⁸ Kampala was originally belonged to Buganda, but it is now a cosmopolitan city

	Luwero	Luweero		Baganda	336,722
		Nakasongola	1997	Baruli	141,000
		Nakaseeke	2005	Baganda	137,278
	Mpigi	Mpigi		Baganda	407,790
		Wakiso	2000	Baganda	907,988
	Mubende	Mubende		Baganda	500,267
		Kiboga	1991	Baganda	229,472
		Mityana	2005	Baganda	189,263
	Masaka	Masaka		Baganda	770,662
		Kalangala	1990	Baganda	34,766
		Sembabule	1997	Baganda	180,045
	Rakai	Rakai		Baganda	470,365
	Hoima	Hoima		Banyoro	343,618
		Kibaale	1991	Banyoro	405,886
Western Region					
	Kabarole	Kabarole		Batoro	356,914
		Kyenjojo	2000	Batoro	377,171
		Kamwenge	2000	Batoro	263,730
	Rukungiri	Rukungiri		Bakiga	275,162
		Kanungu	2000	Bakiga	34,766
	Kasese	Kasese		Bakonjo	523,033
	Bushenyi	Bushenyi		Banyankole	731,392
	Mbarara	Mbarara		Banyankole	586,364
		Ntungamo ⁹	1994	Banyankole	379,987
		Kiruhura	2005	Banyankole	100,630
		Isingiro	2005	Banyankole	202,727
		Ibanda	2005	Banyankole	198,635
	Bundibugyo	Bundibugyo		Bakonjo	209,978
	Kabale	Kabale		Bafumbira	458,318
		Kisoro	1991	Bafumbira	220,312

Source: Ministry of Local Government/Uganda

⁹ Some part of the county was taken from Bushenyi

3.3 Sampling technique

Purposeful sampling was employed to select both the districts of study and the respondents. Seven districts were selected for the study and they are: Amolatar, Dokolo, Lira, Kaberemadio, Nakaseke, Nakasongola and Soroti. These districts were purposefully sampled based on their ethnic background. Amolatar, Dokolo and Lira were selected to find out why the same district with only one ethnic group was divided into three autonomous districts, while Soroti and Kaberemaido were selected because it was one district with two different ethnic groups. The Itesots remained in Soroti while a separate district called Kaberemaido was created for the Kumam people. For Nakaseke and Nakasongola, all of them were part of Luwero district. Nakasongola was created for the Baruli, while Nakaseke is for Baganda who are the same tribes in Luwero. These districts have leadership who have different political ideologies. The research wanted also to find out whether politics and /or socio-cultural factors have also played a role in creating districts in Uganda besides the economic arguments. The sampling considered also the geographical locations of these districts. The first three were selected from North, the second two from east and the last two from the central region of Uganda. The cost and time element also influence the sampling given that the researcher had limited funding and the time allocated for data collection was very limited.

3.4 Method of data collection

The study was based on both Primary and secondary sources of data. Primary data was collected using questionnaires which were distributed to the district staff. Interviews were conducted among the members of district executive and heads of departments including the Sub-county Chiefs to reinforce the data collected using self administered questionnaires. Reviews of relevant government documents which included among others; Policy documents such as decentralization policy, ministerial briefs and circular standing instructions; national and district budgets and work plans; CG transfer schedules, district staff pay rolls and staffing list, disbursement schedules to Sub-Counties,

physical progress reports, final accounts, audit reports and value for money audit reports. Seven Heads of Department were sampled from each district and three members of the District Executive Council. Two Sub-county Chiefs were also sampled.

Table 3: Sample size of respondents.

Category	Number	Method of Data Collection
HoDs	49	Questionnaires
Ex. Com. Members	21	Interviewing
Sub-County Chiefs	14	Questionnaires
Total:	84	

3.5 Methods of data analysis

The analysis was based on both qualitative and quantitative method of data analysis. Quantitative was relevant in the analysis because of the statistical information which was got from the field and were helpful in justifying the arguments being put forward.

3.6 Limitation/Practical Problems

Three key practical problems were encountered. Accessing sensitive documents related to finances was very difficult due to low level of cooperation with people possessing important information. In some districts some vital information the researcher wanted were not available due to poor documentation practices and poor record-keeping. Some staff would make an appointment but never to honour their appointments. Some respondents also receive questionnaires and failed to return them despite several attempts to get it from them. Time which was allocated for data collection was very limited. This also had a direct effect on the extent to which primary data could be collected. It became practically very impossible to keep frequenting one district several times to collect all the questionnaires distributed and to trace all the selected respondents for interviewing. This greatly affected data collection in two districts of Nakaseke and Nakasongola. Most of the information given on

these two districts therefore is secondary. Out of the seven questionnaires sent per district on average five were returned and the interviews were conducted to 15 members of the executive. The cost of the research was also higher than it was anticipated. One of the solution was to narrow the scope of primary data collection to five districts of Amolatar, Dokolo, Lira, Kaberamadio and Soroti to enable the researcher collect data within the given time. The respondents who were unwilling to give information they perceive to be sensitive were given confidential assurance on whatever piece of information that they could give and they co-operated. Extensive secondary data collection method was used as one of the strategy to minimise cost of data collection. Some interviews were conducted through telephone conversation.

Chapter Four: Economic Analysis of the Research

4.1 Introduction

Here the findings on the rationale for creating districts have been analysed from two perspectives: the local perspectives which is the reason for asking for separation by local people, (reasons from below), which is generally bringing services closer to them and the reasons that makes central government grants districts to those who demands for it, (reasons from above). They include: empowering the local people, creation of employment, attracting local development partners, a strategy to minimise tribal/local conflicts, strategy to weaken or remove the opposition and political gerrymandering.

Need to have services nearer to the local people

The study found out that local people have only one general reason for demanding for a district and that is need to have services nearer to them. Local LGs perform two types of services. There are those which are the mandates of local governments and those that are delegated. Mandated services include; provision of primary health care services to the people, water and sanitation, primary education and roads, child care and protection, promotion of agriculture through extension services. The delegated services include recruitment and management of local government human resources through District Public Service Commissions, managing the pay rolls for secondary schools and tertiary institutions within their jurisdiction, supervision of Lower LGs and liaising with relevant security agents to detect apprehend, and bring to justice the offenders, and help police in keeping law and order, (Government of Uganda 2006d). All these services local people require them to be nearer them as argued welfare economists for their allocative efficiency, economies of scale and benefit-cost spillovers, (Chanie 2007, Robinson 2007a, Wellisch 2000).

However, the field study also found out challenges associated with service delivery. The level of delivering these services is still very low as it was intended. The findings showed that the level of these services has not

significantly improved. For example in Dokolo district, the number of schools and health centres has remained the same since July 2006 when the district was created. The implication is that the distance travelled and time taken by the local people to access these services has remained the same.

Low level of monitoring and supervision is also a big challenge. After the restructuring that took place in 1998, the current structure of the Ministry of Local Government, (MoLG) is not commensurate with the scope and magnitude of the task of implementing decentralization policy, where most of the programmes are now mainstreamed into the ministry. Responsibility to appoint, supervise and discipline all the Chief Administrative Officers, (CAOs), Deputy CAOs and Town Clerks of the municipalities now rest with the ministry and this outweighs its human resource capacity. Large number of districts has also made it difficult for the ministry to inspect monitor and supervise all the district activities. The ministry is responsible for enforcement of accountability for over US \$¹⁰ 500,000,000 transferred to local governments annually, (Government of Uganda 2008a:26).

Low level of local revenue has negatively affected the performance of most LGs. The districts are not getting adequate funds to provide services to the local people due to over stretching of the capacity of the national treasury to finance districts. Dependency on the CG to finance local governments undermines the principles of decentralization which devolved all the political, administrative and fiscal powers to LGs in Uganda. A district like Nakaseke is facing problems of low literacy rate, inadequate health and nutrition services, poor communication networks, especially roads and some Sub-counties are inaccessible. The district is also getting it difficult to meet the high expectations and demands of the local community. As it is supposed to be the case, services is supposed to be effectively delivered after creating a new districts, but the districts are too poor to provide services they are intended to provide to local community. CG is facing a very big challenge in fulfilling its obligation to

finance local governments. Budget estimate of MoLG for financial year 2008/09 reflects funding district LGs up to 93 per cent. In the financial year 2007/08 central government released on US \$ 7,058,824 as graduated tax compensation to be shared among 80 districts and the district leaders referred to it a peanut. Recently District Chairpersons stormed out of the National Budget Consultation Meeting of 07th December 2007 in Kampala. This was in protest to the Ministry of Finance's failure to remit US \$ 26,470,588.2 as graduated tax compensation to districts.

As reported in the Daily Monitor, nearly all districts in Uganda are running bankrupt and have appealed to the CG for financial help. Some 75 districts wrote to the MoLG begging for money because they cannot generate enough revenue on their own to deliver services such as collection of garbage and buy drugs for their people. So far 26 districts from among the newly created ones cannot pay their councillors' allowances and emoluments; meaning that council of such districts can hardly meet to run the affairs of the districts, yet it is a requirement by law that district council must meet at least once after every two months – meaning district council has to meet at least six times in one financial year. This financial problem is largely blamed on the government's rush to create many small districts with no viable revenue bases and yet they have to run the structures of a fully constituted local government. Worst affected district has been Abim district which collected only a laughable US \$ 3,529 in 2006/07 financial year, Nyadri collected US \$ 4,706 and Bukwo US \$ 5,294 within the same financial year, (Atuhaire 2008). Abim is yet to receive the money it requested from the MoLG to help in recruiting Parish Chiefs to help in revenue mobilization to increase revenue collection from US \$ 3,529 to about US \$ 2,059 per year. MoLG spends between US \$ 402,941 to US \$ 588,235 on paying salaries of district Civil Servants annually. Although a district like Mbarara is an old one, as a result of creating three more districts

¹⁰ US\$ means United States Dollars and the exchange rate is US \$ 1: 1,700 Uganda Shillings.

from it suffered from low source of local revenue and decided to rent out part of its office apartment at a cost of more than US \$ 58,824 per year to Makerere University Business School, (MUBS) and Uganda Management Institute, (UMI) which are running an outreach and regional programmes in all the regions of Uganda as a strategy to boost their local revenue base, (*ibid*).

Loss of revenue base and status by the mother district is also another challenge¹¹. The mother district also loses out in terms of revenue potential and status since these two factors are functions of territory and population which are vital in central government allocation of funds. Loss of revenue potential arises because most of rural districts depend on markets, forest reserve and its products and landing sites as major sources of local revenue. Lira district lost Lake Kyoga to Amolatar district and part of Lake Kwanja and Kacung National Forest Reserve were lost to Dokolo district. So in the national ranking of districts, Lira is not prominent among the district which can finance most of its recurrent expenditures using its internally generated local revenue. These were the major sources of revenue to Lira district. When a new district is created the territorial boundary of the mother district is always re-drawn, and is always on the downward side. The implication is therefore that the population will obviously reduce as well and this will greatly affect the amount of money that a district will get from the central government. 85 per cent of the fund for LG Development Programme II is allocated basing on the population and 15 per cent based on the area coverage of the district.

These districts being created lack adequate qualified human capacity to run them effectively. As a result most districts have 'skeletal staff'. They can not even recruit the entire required staff to fill all the approved structures due to high wage bill. As a result, the few staff are over worked since they will be care-taking other offices besides their job schedules. This is also the same in the mother districts from which new districts are carved out of and they have the responsibility to second staff to go and start the new district that are in

most cases absorbed by the new districts.¹² The guideline provide that all the local government staff who were working in areas curved out to be new district by default become staff of the newly created district. The criterion is not standard, but it is always given by the Permanent Secretary, MoLG at the time of commencement of the new district in the form of circular standing instructions¹³. Some Members of Parliament have argued that the trend is extremely worrying because creation of new districts has adversely affected the country both politically and economically. They commented that today new districts are created for narrow, selfish political reasons with the common reason of taking services nearer to the people, but the reality is that these districts are created in return for votes in favour of Movement Party, (Nalugo 2008). From economic argument, LGs should be more responsive to the needs of the citizens and take their preferences in to consideration when planning for the services to be delivered and the cost of delivery. They should also have financial capacity to provide services to the local people through a combination of inter-governmental transfers and local taxation. LGs should also have adequate administrative capacity to deliver expected increase in production of local services, (Robinson 2007a).

CG have also argued that creation of districts is a strategy for creating employment for the citizens; jobs have been created both in political representation and, civil service and as a result of local contracting to private sector people are also employed by the private businesses. Creation of districts promotes urban development where capable individuals have also benefited from through establishment of private businesses such as hotels, lodges, general merchandise shops which promotes economic growth and

¹¹ The mother district refers to the original district from which a new district is curved out of.

¹² Interview with Senior Planner of Lira district, Francis Okello on 15th July 2008.

¹³ Interview with Assistant Clerk to Council of Lira, Peter Omara on 15th July 2008.

development. The table below shows the trend of job expansion in public sector of LGs between 1991 and 2006:

Table 4: Expansion in districts and administrative district- level jobs

	1991	1997	2000	2005	2006
Number of districts	39	45	56	69	83
Number of employees					
Chief Administrative Officers'Office	117	135	168	207	249
Administration	936	1,080	1,344	1,656	1,992
Resident District Commissioners	39	45	56	69	83
Finance	741	855	1,064	1,311	1,577
Education	390	450	560	690	830
Health
Production & Marketing	576	720	896	1,104	1,328
Works	741	855	1,064	1,311	1,577
Natural Resources	702	810	1,008	1,242	1,494
Community-Based Services	312	360	448	552	664
Planning	234	270	336	414	498
Internal Audit	234	270	336	414	498
Statutory Bodies	351	405	504	621	747
Agric. Training & Information Centres	624	720	896	1,104	1,328
Total Employees	6,036	7,020	8,736	12,764	12,948

Source: Ministry of Local Government.

NB: these figures shows only staff at the district offices, but excluding teachers in schools.

However, there have been cases of local conflicts when it comes to recruitment of staff in many districts. Local segregation among the local people is very rampant, where most districts tend to prefer recruiting people from their locality. This have sometimes denied some districts the opportunity to get competent staff. This is even happening among districts inhabited by only one tribe. The study found out that the current Kaberamadio district which was created in 2001, was first declared by Idi Amin in the 1970s and the local leaders rejected it and led a delegation up to Kampala to express their objection; arguing that it would breed disunity among the Teso and Kumam community who were by then living together in Soroti district. Kaberamadio was then reduced to a sub-district status until 2001, (Kaberaido District Local Government 2005).

Attraction and expansion of local development programmes is one of the reasons advanced by central government. Many local development programmes dealing with issue of poverty reduction have been extended to these new districts which have been created. Government programmes such National Agricultural Advisory Services, (NAADS) Savings and Co-operative Societies, (SAACOS), Plan for Modernization of Agriculture, (PMA), Poverty Action Fund, (PAF) and Northern Uganda Social Action Fund, (NUSAF) have expanded its scope of operation as a result of increase in the number of districts.

Some Non-Governmental Organizations, (NGOs) have expanded their operation by opening their branches in these new district, which is both an avenue to create jobs and they are attempting to fill in the gap left by LG in an attempt to improve on the quality of life of the rural people through provision of services such as, safe drinking water, promotion of productive agriculture, and improvement in medical services. This should not be viewed as a contradictory with the finding on the failure of LGs to deliver services. NGOs normally concentrate on short-term interventions, but the sectors of physical structures such as construction of schools, health centres, and roads have lagged behind since they are the mandates of LGs. Even though NGOs are trying to do some work, their interventions are always concentrated in small selected areas.

The implication of this is imbalanced opportunities for the local people. Allocative efficiency principle requires LGs to provide services which are consumed and paid for by their jurisdiction and CG is left with the responsibility of providing goods and services with nationwide benefit incidence, but in Uganda it appears central government provides all services since it is the one that provide the money to local LGs.

Each district costs government of Uganda an annual expenditure of US \$ 9,411,765 for recurrent expenditures and short-term investments. These funds are used to pay the salaries of the civil and public servants and procure equipment necessary for the operation of the districts. This has always caused challenge to CG is continue financing the budgets of all LGs since the costs

are ever increasing through creation of more districts. The cost of services varies majorly due to two factors; the geological differences among localities and inflation of prices due to corruption. Some areas find difficulties in getting raw materials such as bricks and sand locally. They end up importing from neighbouring districts, which in turn forces the cost of construction to go up, but some districts end up paying highly for services contracted out simply because some technical staff within the engineering departments connives with the local contractors to bid highly such that they later share the difference with the contractors. Some districts incur high costs in sinking bore holes due to variations in water table, while other are comfortable with shallow well, which is very cheap to sink. The implication here is that; with the alarming rate of creating more districts, the CG will continually incur high cost of service delivery, but without significant improvement in the quality of life of the local people. The table below shows some of the cost variations between Dokolo, Lira and Amolatar district in the financial year 2007/08:

Table 5: Cost of selected services

Service provided	Dokolo (US \$)	Lira (US \$)	Amolatar (US \$)
a 2-class room block with an office and a store	20,000	15,059 to 19,412	17,059
a 5-stance pit latrine with a urinal	3,823.5	-	2,941
a 3-seater desk supplied to schools	5.6	-	-

Source: District engineering department of Lira.¹⁴

In an attempt to minimise and harmonize cost of service delivery, CG through the Ministry of Education and Sports after realising that these variations have led to loss of money, have decided to instruct all districts in Uganda through a Circular Standing instruction issued in July, 2008 to use

¹⁴ The Engineer in Lira district handles school projects under the School Facilities Grant, (SFG) in Lira, Dokolo and Amolatar. She is a seconded staff from the Ministry of Education and Sports.

uniform unit costs set by the ministry for the financial year 2008/09 to provide education facilities to schools. The unit costs have been revised as follows: a 2-class room block with an office and a store should cost US \$ 8,235, a 3-seater desk should be supplied at US \$ 20.6, a 5-stance pit latrine at US \$ 588.2 and a Ventilated Improved Pit (VIP) latrine should not exceed US \$ 2,941.2. From the explanation got, CG have realised that LGs are now abusing their privileges of determining the cost of service delivery independently. They have ended up becoming too expensive such that they contract out services at inflated prices, which is sometimes twice the market rate. This implies that the cost of providing these services by local governments is increasing instead. This is against the intergovernmental school of thought on which the decentralization derives the principle of autonomy from. LGs should have discretion interms of function, actions and legitimate behaviours. They should be able to carry out their rightful duties within their power to act without fear of oversight authority of the state, so long as they act within their limits given by their initiative powers, (Clark 1984).

According to one of the District Finance Officer, the failure of LGs to finance their programmes due to low local revenue base. The CG transfers are not enough to finance all the activities in all districts adequately after the suspension of graduated tax in 2005. The amount of graduated tax compensation has also reduced from US \$ 26,470,588 to 18,823,529 which are not even disbursed regularly. It is also found out that sustaining local governments have become a very expensive venture for the government of Uganda, (GoU). The cost of running districts is ever on the increase since the number of districts is increasing time and again. Despite this increase in financing LGs, CG has been complaining that the cost is not matching with the level of services provided¹⁵. The table below shows CG transfers to LGs between the financial years 2003/04 to 2005/06:

Table 6: Central releases to LGs since FY: 2003/04

Grants in US Dollars (US \$)	2003/04	2004/05	2005/06
Unconditional Grant	48,845,432	51,488,012	58,091,306
Conditional Grant	385,232,896	420,284,256.5	431,638,434.2
Equilization Grant	2,078,987.1	2,079,165.3	2,047,008
G/Tax Compensation	0	0	25,799,931.4
Total:	436,157,315.1	473,851,434	517,576,680

Source: Ministerial Policy Statement 2006/07 to Parliament of Uganda.

Using Lira district to illustrate the cost of service delivery and as a unit of analysis, the per capita expenditure of the district is reducing instead of rising. The study found out that most of the money the district get is spent on education followed by administration. However the per capita figure for education department is high because it includes primary, secondary and tertiary institutions. Most of the money is spent on salary. Much as LGs are responsible for primary education only, but they also carry out delegated personnel role of handling payment of salaries for secondary and tertiary institution staff. The summary of per capita expenditure as per department is summarized in the table below. The first tables shows the per capita expenditure of Lira district when it still had Amolatar and Dokolo districts as part of it, and the second table shows the per capita expenditure of Lira after the creation of Amolatar and Dokolo district. Per capita cost of service delivery before creation of Amolatar and Dokolo districts¹⁶

¹⁵ Interview with Okwir Samuel, Senior Finance Officer of Dokolo district, on 11th August 2008.

¹⁶ Before creation of Amolatar and Dokolo districts, the population of Lira district was 757,763 and after, the population of Lira is now 629,846.

Table 7: Per capita expenditure of Lira district before separation

Per capita expenses (\$)	2004/05		2005/06	
	Planned	Actual	Planned	Actual
Administration	4.0	4.0	4.3	2.7
Finance and Planning	2.7	1.0	6.0	1.0
Production and Marketing	0.8	0.8	1.2	1.0
Health	2.3	2.6	3.4	2.1
Education and Sports	9.1	10.8	11.3	10.0
Engineering	0.1	1.7	1.8	1.1
Community-Based Services	0.0	0.1	0.0	0.1
Total:	19.0	21.0	28.0	18.0

Source: District Final Accounts for 2003/05 and 2004/05/Lira.

Table 8: Per capita expenditure of Lira district after separation

Per capita expenses in 2006/07	Planned (US \$)	Actual (US \$)
Administration	1.4	1.0
Finance and Planning	0.1	0.0
Boards and Commissions	0.1	0.0
Production and Marketing	0.3	0.3
Health	0.5	0.4
Education and Sports	2.5	2.5
Works	0.4	0.3
Natural Resources	0.0	0.0
Community-Based Services	0.0	0.0
Total:	5.3	4.5

Source: District Final Accounts for 2006/07/Lira.

The per capita dropped from US \$ 21.0 in 2003/04 financial year to US \$ 18.0 in 2004/05 when the population of the district was 757,763. When the population reduced to 629,846 in 2006, the situation worsened by dropping from US \$ 18.0 to US \$ 4.5. Logically, we would expect that since the size of the district reduced after forming two more districts from it and subsequently a reduction in population, there would be more money to spend on fewer people within a small geographical boundary. The situation appears different because when a district is created, the grant which was being given is divided among the two districts and the per capita expenditures become negligible. In conformity to this argument, it was reported in the news paper that LG Minister Major General Kahinda Otafiire decried the number of districts, saying they have multiplied beyond control. He said he supports creation of Town Councils instead of districts, adding that they are symptoms of

development while districts are mere consumers of resources. He argued that following the current trend, every family would want to have a district and it would be very difficult for government to finance the council. He cited Eastern Uganda where he visited a district which he never thought it existed, (Baguma and Ogwang 2008:3). To the contrary also, the actual money which is normally sent by the CG is always less than the indicative planning figures normally given to local governments by the Ministry of Finance, Planning and Economic Development, (MoFPED) and not timely. The LG Minister was recently quoted pledging to district officials to contact MoFPED to ensure early release of funds to local governments, (*ibid*).

On broader perspective, some empirical data were collected from some districts to show that continual creation of new districts in Uganda is not significantly improving services to the local people if the government is not considering its sustainability. The districts which are already existing needs to be strengthened before the idea of creating a new one is conceived. The information below analysed sector-by-sector.

Administrative Sector

Dokolo district have still remained with 1 original County as an administrative unit, 5 sub-counties, 32 parishes and 355 villages, (Dokolo District Local Government 2008/09). No new administrative unit have ever been created to reduce the distance travelled by the local people. This would be very appropriate for Sub-county administration where some residents still travel for a distance of 15 kilometres to reach the office of LC III Chairperson. The lower administrative units such as Sub-counties and Parishes have not been created to increase the number of service centres as it would be expected.

Education Sector

In a district like Dokolo, the education facilities have not yet increased since the district was created. The number of primary schools has not increased and pupils are still travelling the same distances they used to travel to go to the nearest school before creation of the district. Pupils are still walking long

distances to primary schools. Ideally, one would expect that creation of a local government would ease these problems. The summary of accessibility to primary schools are summarised in the tables below:

Table 9: Distance travelled to access primary schools

Distance Travelled.	Population (%)
< 0.5kms	9.0
0.5 – < 1km	21.0
1 – 5km	64.3
>5km	5.7
Total:	100

Source: Dokolo District Development Plan 2008/09

Health Sector

No significant improvement was also registered in the health sector. The number of health units in the counties that remained in Lira district remained the same as it was before. There is however per centage improvement in the number of people accessing services in government health units within a radius of 5kms, but it is still below the national standard. In 2004/05 it was 28 percent, 2005/06 was 38 per cent, 2006/07 was 48 per cent, and in 2008/09 it is 58 per cent, (Lira District Local Government 2008/09). The summary of health units in Lira as of December 2007 is as below:

Table 10: Health services available in Lira

Type of H/C	Number	Status	Total
Referral Hospital	01	Government Aided	01
District Hospital, (H/C V)	01	Privately Owned	01
Health Centre IV	05	Government Aided	06
	01	Privately Owned	
Health Centre III	14	Government Aided	18
	04	Privately Owned	
Health Centre II	20	Government Aided	28
	08	Privately Owned	
Total:			54

Source: Lira District Development Plan, 2008/09.

Health sector services have still remained poor as it used to be when Dokolo was just a county in Lira district. Over 42 per cent of the population of

Dokolo still move for over a distance of 5kms in search of health services. There is only 1 health centre IV which existed before, 2 health centre III, and 4 health centre IIs. In these health centres, a 2-bedroom staff house is constructed at US \$ 17,647 out patient department (OPD) cost US \$ 34,706 while a maternity ward costs US \$ 43,706.

In Nakasongola district, the health facilities that existed when Nakasongola was still a county in Luwero are still the structures that are serving the district. Only 6.25 per cent of the population have access to health facilities within the radius of 5 kms.

Water and Sanitation

The major sources of drinking water in Dokolo district are springs and well which are used by 35.2 per cent of the district population, open water source is the second important and rain ranks last used by 0.3 per cent of the population. The district water coverage is at 60 per cent against national standard which stands at 64 per cent. Despite 60 per cent coverage, functionality of the available water facilities is at 50 percent only. This implies that the accessibility to safe drinking water is still not any better as portrayed in the statistics. Accessibility to water points is summarised in the table below:

Table 11: Access to clean water in Dokolo

Distance Travelled	Population in Per cent- age
On Premises	1.6
0.5 - < 1km	36.5
< 1 km	34.8
1 – 5 km	25.3
> 5 km	1.8

Source: Dokolo District Development Plan, 2008/09.

Water and sanitation in Nakasongola district have also not improved though. Accessibility to safe drinking water stands at 46 per cent while pit latrine coverage is at 56.2 per cent as opposed to 54 per cent when it was not yet a district. The number of households with pit latrines is 11, 469 out of 22, 076 total number of households in Nakasongola district. One of the district leaders is quoted in the Monitor News paper of August 2008 saying;

“The water source coverage in Nakasongola that acquired a district status in 1997 is 46 per cent compared to about 60 per cent national safe water coverage. Before Nakasongola became a district it safe water coverage was 42 per cent according to Luwero District Profile.¹⁷ Water potential accessibility is lower because bore holes are scattered apart as far as 15 kms.”

One member of the Water Source Committee is also quoted in the same news paper saying, “What matter to residents here is the availability of any water. The quality is not an issue.” This shows that though there has been increase in the per centage coverage in water of 4.0 per cent and that of pit latrine of 2.2 percent the increase is negligible given the fact this is a district which have already been in operation for the last eleven years.

¹⁷ Luwero is the mother district from which Nakasongola and Nakaseke districts were created.

Roads Sector

Lira district after creating two districts out of it never improved the road net work even though the size reduced. Since 2005 CG road net work remained 153.2kms out of which only 32.2kms is tarmac, district roads remained 441.60 kms, (Lira District Development Plan 2004/05). These roads especially community excess roads are opened at a cost of US \$ 2,353 per kilometre, while rehabilitation of both district and community access roads costs US \$ 11,176.5 per kilometre. In principle, we would expect that the local people in Lira district are getting better services since the size of the district have tremendously reduced from being a district with twenty four Sub-counties to a district of fifteen Sub-counties. This would enable it to allocate more funds in those areas which were getting little funds. But the study found out that the practice has been that when a new district is created it shares the funds and equipment almost on an equal basis basing on the circulars sent from the MoLG, but the liabilities remains that of the mother districts. The summary of the types of roads in Lira is as below:

Table 12: Roads in Lira

Type of Roads	Distance (Kms)
Tarmac	32.2
Murrum (National Roads)	288.6
Murrum (District/Feeder Roads)	645.0
Community Access Roads	380.0
Total:	1,315.8

Source: Lira District Development Plan, 2004/05.

Chapter Five: Political and Socio-Cultural Analysis

The study established that creation of districts have greatly empowered the local people. Politically, they have the power to elect their own leaders and can hold them accountable for whatever they do or fail to do. The theory of democratic decentralization argues that decentralization is not only about transfer of decision-making power and resources to lower level governments, but also authority to demand for accountability and enhancement of public participation in the local political process, (Chanie 2007). On the issue of accountability, the research found out that; much as no councillor has ever been recalled by the electorates for failure to represent them accordingly, the most effective means by which the local people exercise their power is through electoral turnover. Most councillors who fail to meet the expectation of the electorates are dropped off whenever there is local council election.

One of the arguments for creating new districts is also to manage the ethno-linguistic conflict as it was the case in India and it is also argued by the Permanent Secretary MoLG, Vincent Ssekono that creation of new districts has enabled the ethnic minorities who were formerly marginalised to obtain their own districts, (Green 2008). Kibaale was separated from Hoima because the minority Banyarwanda in Kibaale County could not stay amicably with the Banyoro in Hoima district. It was also the case with Nakasongola which is inhabited by the Baruli who were the minority tribe in Buganda in Luwero district. Yumbe was created for the Aringa tribe who had been claiming that they get difficulty in communicating in their council when mixed with Lugbara in Aura district. The justification was that when they are alone, they could discuss issues pertaining their locality freely in their local language¹⁸. Dokolo County was supposed to have been merged with Kioga County to form one district, but the political leaders of these two counties failed to agree on the location of the district headquarters. Kioga people were genuinely arguing that the headquarters be located in their county since they are further than Dokolo

from Lira, but Dokolo people were also arrogantly demanding that having the district headquarters in their county would be the only condition that could make them accept to join Kioga to a district and short of that, Kioga should form the district alone and in any case they had never demanded for any district. The reason of disagreement was found to be an old time political hatred that existed among the people of these two counties and it could not allow them to agree to be in one district. As a surprise, and through manoeuvre by Felix Okot Ogong who is the area MP of Dokolo and was a Minister, the cabinet decided to grant Kioga a district to be called Amolatar District LG effective October 2005, and Dokolo County was also elevated to a district status to be called Dokolo District LG effective 01st July 2006.

However, the creation of new district basing on the ethnic groupings is far from solving the problem. Tororo district in Eastern Uganda which had been dominated by the Itesot before the creation of Itesot-majority Pallisa district in 1991 is currently dominated by the Japadhola ethnic group. As a result, the remaining minority Itesot in Tororo have petitioned the government for their own district again. A commission of Inquiry was set up by CG to see the viability of the district and it recommended the new district, but the local people have failed to agree on the location of the district headquarters. The rift led to ethnic division and in February 2006 parliamentary election with many Itesot supported a Ugandan Asian candidate, Sanjay Tanna against the incumbent Japadhola MP for Tororo Municipality, Yeri Ofwono. After winning, Tanna escaped a petrol bomb at his residence in April panned by the Japadhola. In October 2006, Uganda People's Defence Forces, (UPDF) were deployed in town after rumours that the local Itesot extremists were planning to burn down Tororo district headquarters, (Green 2008 :7).

¹⁸ Interview with Probation and Social Welfare Officer of Koboko district who was a staff in Arua district, 15 August 2008.

Displacement of people from their land and/or structures. The research also found out that all the newly created districts were started without basic structures such as office apartment. They occupied Sub-county structures and they are still operating in them till to date. There could be some departmental offices constructed, but the main administration block and council hall are still structures of the Sub-counties, opening of urban roads causes conflicts among the local people and the urban authorities.

Instead of accepting the local demands which are rather weak, government have always exploited such opportunities as a trick to weaken or remove opposition politicians. As argued by Crook (2003), CG in both Africa and India has used decentralization as means to fragment opposition strong holds and destroy them. This politics of creation of new districts is unique in Uganda, but it is not unusual across Africa since several African leaders have used the same strategy in recent years. In 1997 President Blaise Compaore of Burkina Faso created 15 new provinces during parliamentary election and his subsequent first election in the following year. In Benin President Mathieu Kerekou doubled the number of his provinces from 6 to 12 in 1999 two years before his election. In 1999 President Idris Deby of Chad also doubled the number of his prefectures from 14 to 28 and renamed them departments two years before his successful re-election. President John Kofour of Ghana created 28 new districts in 2003 and another 28 in 2007 before presidential and parliamentary elections, while President Bakili Muluzi of Malawi created also 3 new districts a year before his re-election in 1998. In Sudan, President Omar al-Bashir tripled the number of federal states from 9 to 27 1994 two years before his first election, (Green 2008 :11).

In Uganda, the former Minister of LG Jaberu Bidandi Ssali who fell out with Museveni in 2003 over lifting of the presidential term limit similarly claims that the primary political goal for Museveni in recent years have been to remove any actual or potential opposition to his presidency. This means undermining the autonomy of LGs through CG control, whereby creation of new districts has been part of the strategy to undermine the ability of LGs to both challenge the centre and build some fiscal independence for themselves.

The result of this is inability of districts to stand on their own and overdependence on the central government for survival at the centre's terms and conditions, (Green 2008 :11). Evidence to this assertion show that in some areas when a demand for a district is put forward to either the Member of Parliament or the President, a condition is given for the local people to abandon their political leaning and embrace and support the movement ideology in their locality. Daily Monitor reported that in August, 2008 when the President was touring Eastern Uganda, the people of Ngora County in Kumi district demanded for a district status. One of the L.C. V Councillor, Mr. Omoding was quoted saying; "We are not bad people as president might think. If he gives us a district, we will also know how to reciprocate come 2011." Their argument was that although Ngora is known for being an opposition base, the President should consider giving them the district so that services are brought nearer to the community. Forum for Democratic Change, (FDC) has had an upper hand in Eastern Uganda explaining why most LG leaders and members of Parliament, (MP) are in the opposition. In response to local people's demand, Kumi LC V Chairperson Mr. Ismail Orot was quoted as saying; "Whereas President Museveni would be willing to grant Ngora a district status, it might not be automatic unless residents denounce FDC and cross to NRM." In reaction to these statements, the area MP, Mr. Epetait Francis who is a member of FDC party said Mr. Orot was prejudiced and that there is a process to be followed before creating a district and other districts were not created after people crossed from FDC to NRM, (Malinga 2008).

This strategy has also led to weakening and sometimes breaking up the coalitions which used to exist among MPs who come from the same district since the number of MPs that represents districts is dwindling. Despite creation of position for a woman MP, the average number of MPs per district has drastically reduced as a result of fragmentation of districts. As a strategy by the local politicians to counter these strategies, they have resorted to the use of coalitions such as Lango or Acholi, Buganda Parliamentary Group, Association of District Chairpersons in Northern Uganda, and so on.

Ironically, evidence shows that much as Museveni always gain political support in most of the new districts being created, movement MPs does not do well during parliamentary election. In parliamentary election of 2006, out of nine ministers who contested in North and Eastern Uganda, only one from Dokolo district won the election. The thinking of the NRM is that whenever a district is created they would be in a position to fill their political representatives or those loyal to them. Eastern Uganda got the highest number of new districts as a strategy to break the opposition strong hold, but it ended up sending only one movement MP and the rest are FDC. Teso sub-region has fifteen MPs, but only two are movement supporters; while Lango sub-region has fifteen MPs, but also only two are movement MPs¹⁹. The situation is not even any better with the LCs. Most of the LCs in North and Easter Uganda are in the opposition parties, (Parliament of Uganda 2006). It should be noted that these are the two poorest regions of Uganda and they attribute the cause of their poverty to the Movement government.²⁰ As a result the majority of local people are never willing to forgive Museveni for his mischievous did on the people of North and Eastern Uganda.

The normal process followed for the creation of the district, requires that district council intending to have their district divided consult the local people; forward the local views to the district council where a resolution is adopted to create another district and this resolution is forwarded to the Minister of LG who tables it before members of the cabinet. Once the proposal is adopted by the cabinet ministers, it is forwarded to parliament for final approval, but contrary to this, most of the districts which have been created are as a result of political influence by highly influential politicians who

¹⁹ Lango Sub-region has five districts comprising of Lira, Apac, Amolatar, Dokolo and Oyam.

²⁰ Between 1987 and 1989, Museveni with the use of national army, (NRA) connived with the Karamojong and raided all the cows in North and Eastern Uganda. Poverty worsened when the LRA war that lasted for twenty years forced people in these regions to go to Internally Displaced People's Camps, (IDP).

are either in the cabinet or Movement Caucus²¹ who asks for it from the President. After he or she has been given a go ahead, the local people is then influenced to start the process of formalization to make it appear as if the demand for the district came from the local people. Some districts were created as a result of political manipulation by area members of parliament without the demand from the local people, Dokolo district being a case in point.

Sometimes the local residents prevail over the president and in response the president bow down to their pressure and need to appease local people, he goes ahead to pronounce a district status and instructs the Minister for Local Government to ensure that the procedure is followed. This is how Koboko district came to exist and it is referred as the ‘condolence district.’²² In relation to this argument, it was reported in the Daily Monitor of Tuesday, July 15th 2008 the Museveni accepted to upgrade Luuka County in Iganga district to a district status. Quoting his letter to Minister in charge of Presidency;

“[...] in view of the fact that there has been a lot of pressure from the people of Luuka County in Iganga and Buikwe in Mukono district, I have accepted to grant their areas a district status. By copy of this letter, therefore the Minister of Local Government is advised to formalise the district status of the above counties,”(Sooma 2008:33).

MPs on LG Accounts Committee have also raised concerns over the swelling numbers of districts in the country and questioned the criteria the government is using to form districts. The committee learnt that Minister of LG has so far received over 30 applications for new districts yet new applications are still coming in. The committee chairperson remarked that districts should be created for technical and not political reasons and the responsibility for assessing the administrative unit to be elevated to a district

²¹ Movement Caucus is a club of Members of Parliament who subscribe to the NRM-O Party. It is a forum where most of the National Policies are discussed and resolved before it is taken to parliament for approval. Since they form the majority in Parliament, whatever is agreed in the Movement Caucus, will always sail through in Parliament. So to speak this Caucus has turned Parliament of Uganda to become a rubber-stamping Parliament.

²² Museveni granted the district to the people of Koboko when he had gone to mourn the death of the then Attorney General and Minister of Justice and Constitutional Affairs and MP of the area, Francis Ayume who died in the motor accident. The local

status should have been left to institutions like National Planning Authority which should critically examine the viability of creating a new districts otherwise they are creating a strain on the limited resources at the local level, but this is not happening in Uganda. They have stressed that creation of new districts should not be for vote “catching” but those that are independent and can stand on their own. It was also observed by the committee that if the rate at which new districts are coming up is not checked, all sub-counties may become districts yet there are not enough resources to sustain them. It was also observed that LCs cannot sustain them because the government is creating new districts almost everyday. The committee also resolved in their report to be tabled in Parliament that MoLG has no capacity to inspect even the current 80 districts in Uganda,(Nalugo 2008).

The pattern of creating new districts has never been uniform throughout Uganda. Out of the 46 districts created in Uganda since 1990, sixteen have been in the East, eleven in the North, ten in the West and nine in the Central Uganda. This increased the number of districts in these regions to twenty four, twenty one, nineteen and sixteen respectively. This trend saw Northern and Eastern Uganda prominently getting new districts especially since 1996, which has led to drastic regional disparities in the size of the population per district, leaving these regions with lower population per district compared to West and Central Uganda, where Museveni has been having his political stronghold in. This confirms the argument that new districts are created mainly in the opposition areas to weaken them. Some districts were given in 2005 when national election was about to be conducted and the strategy was to use it to win more seats for the ruling party both in parliament and LC, but the reality did not favour movement government. It should however be noted here that the net effect of creating many districts in Uganda since 1990, has been in the favour of the ruling party since they have the majority in the parliament. As a

people were demanding a district in memory of their son. When by-election was held, his wife was elected to replace him as the area MP and as a consolation to the family.

result, areas of strong opposition to Museveni have been broken into smaller districts and those that are seen to be his strongholds are kept relatively larger. The 2002 National Housing and Population Census indicated that apart from Kampala, Museveni district of Mbarara where he received 91.5 per cent of the votes in 2001 Presidential Election was the only district with more than one million people. There is a claim that Museveni never wanted to break up Mbarara district. Three new districts were created out of Mbarara at a go in 2005²³. The reason being that Museveni was fearing to appear as being bias towards his home people, (Green 2008 :11). Statistically, the parliament of Uganda have 333 members, and out of these 227 are NRM supporters, 38 are Forum for Democratic Change, (FDC) supporters, 10 are Uganda People's Congress, (UPC) supporters, 09 are Democratic Party, (DP) supporters, 36 are Independent members, 01 is Justice Forum, (JEEMA), and 01 is Conservative Party, (CP) supporter, (Government of Uganda 2008b).²⁴

²³ Ntungamo was also created out of part of Mbarara and Bushenyi and the since it was created is headed by the brother to the Museveni's wife, (W. Karazarwe). The popular resentment has been that it was created to reward his in-laws and Museveni's wife is now one of the MPs in Ntungamo, her home district.

²⁴ Some by-elections were held, but the data in the Parliamentary web site is not up dated, but 333 is currently the actual number of MPs in Uganda.

Chapter Six: Summary of Findings, Theoretical Implications and Conclusion

6.1 Summary of Findings

The findings of this research reveal that there are both positive and the negative outcome out of creation of LG jurisdictions in Uganda. Looking at creation of the districts positively, it helps CG to maintain peace and harmony among different ethnic groups who have failed to live together in one district. It also plays to the advantage of the ruling party as a strategy to strengthen its position in power and spread its popularity among the local people. It has also created employment to the local population since bureaucracies are duplicated, local economic activities are also promoted and partnership with local development organizations creates jobs as well. It gives the locality territorial autonomy and empowers them both politically and economically to participate in electing their local leaders and representatives to national parliament, as well as taking an active part in making decisions on issues that relate to their well being and demand for accountability from their local leaders.

The negative side of creation of districts in Uganda is; inadequate funding for all the districts from CG coupled by the inability of districts to raise their own local revenue to finance their activities have negatively compromised the quality of service delivery. This has also resulted into over dependency on central government for funding, a situation which undermines the principle of autonomy of local governments under decentralized system.

The rationale for over decentralizing in Uganda has raised many questions since the cost of running LGs outweighs the intended benefits. Creation of districts has become a fashion of political expediency has become the means of scoring political points, while ignoring the economic rationales associated with decentralization. The process is majorly political and there is a lot of political influence. As a result, the local people are getting less benefit from these new districts created than it was intended. Political patronage and gerrymandering in Uganda has made decentralization to totally lose focus.

Creation of many districts has resulted into high administrative cost which out weighs the intended benefits. Most of the funds disbursed to LGs are spent on paying salaries of the bureaucrats at the expense of service provision to the local people.

Museveni have tried to use political gerrymandering to score hi political points, but it failed to be very successful.

6.2 Theoretical Implications

From the findings discussed in chapters four and five, creation of LG jurisdictions has two theoretical dilemmas. The findings show that most of the reasons advanced by the local people for separation and that of central government for accepting separation of districts are economic, but in practice it is the political arguments which override the logical arguments in support of creation of districts. The economic argument advances reasons such as need for efficient allocation of resources, high economies of scale, fiscal equivalency, administrative efficiency and compliance costs, benefit spillovers and preference and willingness to pay. These arguments are usually used for the practice to appear logical and to attract support during the policy debate.

The findings show that the practice of creating of local governments in Uganda defeats the available theoretical debates. Some districts are created out of political emotions; others are as a result of voting “wisely” or as an incentive to vote “wisely” in favour of NRM. The implication of this is that the practice in Uganda does not conform to the theory of creation of LG jurisdictions. Decentralization in Uganda and Africa as a whole goes beyond the theoretical arguments. There is too much patrimonialism and clientalism.

Maintaining stability among the local people is important as argues by the subsidiarity principles, but it should not be practiced beyond the acceptable threshold. The dilemma here is: what is the threshold, and who determines it.

6.3 Conclusion

Creation of new districts has been the most successful strategy Museveni has used in maintaining his support among the local people than any other, such as ministerial appointments, patronage, and giving material handouts. This has had both its good and bad sides as discussed in chapter five. On the good side, creation of new districts creates jobs, minimises tribal/local conflicts, and brings services nearer to the local people. It also empowers the local people in decision-making and demand for accountability among other benefits.

However, these new districts have become more unpopular due to increasing cost of administration and decreasing level of service provision. Most of the funds districts get are spent on administration at the expense financing key services necessary for the welfare of the local people. CG has started getting difficulties in raising enough funds of finance the activities of LGs since districts majorly depend on CG transfers for their operation.

Critics like the former Prime Minister of Uganda and Presidential Advisor, Kintu Musoke have argued that Uganda has gone too far and too fast again with decentralization. He criticised government for creating many districts, which is against the spirit of East African Integration. He noted that while other continents were integrating, Ugandans were being divided into smaller units and he was quoted in *The New Vision* saying:

“People complained that power was too far. So we decided to create districts for them, but because of tribalism and corruption every tribe is demanding its own district. They think this will make them powerful, but I think we have gone too far and the districts are too many,” (Kariuki 2008:8) ²⁵

²⁵ Kintu Musoke was presenting a paper during leadership seminar at Makerere University Business School – Kampala on 26th August 2008.

This study concludes that creation of new districts that hardly raise enough revenue to finance their activities has gone beyond the threshold and it now defeats the logic of service delivery. It instead creates a dependence on the handouts from the CG, which renders the essence of decentralization meaningless and erodes the notion of autonomy of local governments and it has become so simple like dancing instead of being a critical policy issue.

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