

**ASSESSING UGANDA DECENTRALIZATION POLICY: A CASE STUDY  
OF NAMUTUMBA DISTRICT.**

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### DECLARATION

I, **BITEEGE JUMA** declare that, this dissertation is my own work and has never been produced by anybody else for any award in any institution and that material which is not mine has been fully acknowledged.

Signature.....

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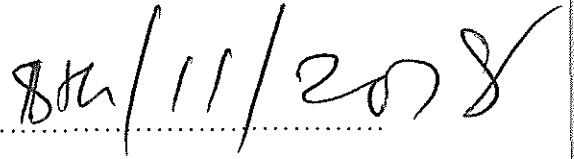
### APPROVAL

This is to satisfy that this dissertation has been done under my supervision and submitted for submission to the Faculty of Law with my approval as the University Supervisor.

Signature.....



Date.....



**DR. AMADE AMANA ROBERTS**

**Supervisor**

## **DEDICATION**

I dedicate this dissertation to my dear parents for the love, care and mentorship they have accorded to me throughout my entire life, plus other family members and all those who also stood by me throughout this program and inspired me immensely.

## **ACKNOWLEDGEMENT**

First and foremost, I give honor and glory to the ALMIGHTY GOD who gave me good health, wisdom, knowledge and hope for the period of the study.

I also thank my beloved parents for their parental love and guidance, moral and financial support throughout my education.

I take this opportunity to express my profound gratitude and deep regards to my supervisor Dr. Amade Amana Roberts for his time and the constructive guidance rendered to me throughout the research period.

## ABBREVIATIONS

ACODE	: Agency Coalition on Development
CFO	: Chief Finance Officer.
CAO	: Chief Administrative Officer
DHO	: District Health Officer
DLG	: District Local Government
DLGC	: District Local Government council
MoLG	: Ministry of Local Government
NGO	: Non-Government Organization
NRM/A	: National Resistance Movement/Army
OWC	: Operation Wealth Creation
UNDP	: United Nations Development Program

### **LIST OF STATUTES**

The Constitution of the Republic of Uganda 1995 as amended

The Local Government Act cap 243 as amended

The Local Government Revenue Regulations

### **LIST OF COVENTIONS**

United Nations Habitat guidelines on Decentralization

African Charter on Values and Principles of Decentralization, local governance and development.

### **CASELAW**

Lukwago vs Attorney General and others (constitutional petition of 2013)

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## **ABSTRACT.**

### **ASSESSING UGANDA'S DECENTRALISATION POLICY: A CASE STUDY OF NAMUTUMBA DISTRICT.**

It is a constitutional policy that Uganda shall be governed on the principles of decentralization is the transfer of powers and functions from the central government to local or regional semi-autonomous units with the aim of extending services and attracting participation of the people in the management and implementation of their own policies formulated at the district as the basis for local governments in Uganda or other lower local governments units. the rampant division, sub division and creation of new districts out of the already stalled/ under developed existing one has motivated the research using the doctrinal methodology to review the available literature o the topic and analyze the legal framework considering the national laws and ratified international conventions in Uganda. While as anticipated generally, decentralization resulted in greater participation and control over service delivery and governance by local communities, local government are still grappling with a range of challenges namely; inadequate local financial resources and over-reliance on conditional central government grants, inability to attract and retain sufficient trained and experienced staff; corruption nepotism and elite capture, however, the preceding problems found to be engulfing the decentralized administration would not contain the functionality of the district if there is a policy review to increase on devolution to at least a state of federation where the revenue generated in a locality would be utilized in specific locality and also limit elite capture and political patronage. This coupled with financial empowerment to generate more and financially viable local revenue. But these recommendations will only see light if the intended audience of the research including the ministry for local government is ready to consider policy review to have federalism to replace the current devolution mechanism and also the district authorities being readily available resources with parliament and the community as the major audience playing their crucial role of oversight and demanding accountability of the services and resource usage.

## CHAPTER ONE

### INTRODUCTION.

Alongside the familiar economic and democratic- electoral reforms that have occurred in African countries since 1980, another significant reform though less celebrated has been the progressive decentralization of state, while analysts and practitioners have long noted the extreme centralization and concentration of state powers and administration in Africa since independence struggles and the post- independence governments, the situation today is decidedly different. Whether arising from dramatic political reforms, donor pressure and programs or as part of evolutionary administrative change, recent local governance revival has been one of most significant facets of state restructuring in Africa since independence.

In the 2002 World Bank study, thirteen of the 30 countries surveyed showed high or moderate levels of decentralization as measured by a composite index of political, administrative and fiscal devolution indicator. Another thirteen showed at least some degree of decentralization, with several in the process of change. Although not all countries have fully revived local governance, the study also indicated no country in Africa by 2003 propounds a preference for the centralized state. Indeed all countries claim in one way or another to be decentralizing power resources and accountability to local levels.

Yet as present evidence indicates, the process of reform and results of recent decentralization are widely varied and the underlying process not fully understood.

From the outlook, Uganda's governance and administrative policy is a decentralization system of government with devolution of duties, obligations and schemes of governance implemented by the small individual and semi- autonomous units of geographical, political and population localities as per the legal regime prevailing in Uganda. The legal framework provides that the state shall be guided by the principles of decentralization and devolution of governmental functions and powers to the people at appropriate levels where they can best manage and direct their own affairs.

Uganda's experience with decentralization is as highly acclaimed as it is criticized though regarded by some commentators as one of the most ambitious forms of devolution of powers among the developing countries, it is also greatly criticized for its failure to deliver on its promises According to Steiner,<sup>1</sup> the scale and scope of the transfer of powers and responsibilities to the local level in Uganda's decentralization reform is exceptional among developing countries. Uganda's decentralization reform is exceptional among developing countries. Uganda's decentralization system is one of the most far- reaching local government reform programs in the developing world.

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<sup>1</sup> Steiner. Decentralization in Uganda

Irrespective of the current state of the decentralized system, the quest for the fruits of decentralization appears to be only increasing. According to the observation Tumushabe et al.”<sup>2</sup>almost two decades later, the quality of public service delivery is less than desirable. district local governments with no financial resources of their own have become more of agents of the central government while the accountability mechanism for good governance and public service delivery are either nonexistent or malfunctioned.”

Historically, Uganda’s decentralized system cannot be said to be a creature of colonial administration, in fact the ancient kingdom settings governance which prevailed before the colonial establishment cannot be ignored although not formal as it exists today. Various kingdoms were based on a devolved administration for example Busoga as a kingdom had eleven chiefdoms including Bugweri, Kigulu, Bugabulaetc which still exist although not functional administratively.

Although decentralization in Uganda existed even during the colonial administration, the current system of governance was not accorded the prominence it enjoys today until the rise of the National Resistance Movement (NRM) government to power under the leadership of Yoweri Kaguta Movement. Under the NRM regime, a decentralized system was

The major step in Uganda’s decentralization process was the enactment of the 1987 resistance council/ committee’s (RCs) statute 9, which legalized RCs and gave them powers on their areas of jurisdiction at the local level. Thereafter, the government embarked on an effective implementation program of decentralization with the enactment of the 1993 Resistance council statute. The decentralization policy was later enshrined in Uganda’s constitution in 1995 and was legalized by the local government Act of 1997, which established local councils at the district (LCV) municipal (LC IV) and sub-county/ division/town council (LC III) levels as corporate bodies of local governments. The Act devolved to these councils far-reaching powers and responsibilities in such areas as finance, legislation, politics, planning and personal matters .the devolution of powers functions and responsibilities to local governments was intended to achieve the following objectives.

- Transfer real power to the districts, thereby reducing the workload of the remote and undersourced central government official.
- Bring political and administrative control over services to the point that they can actually be delivered, thereby improving accountability and effectiveness and promoting people’s ownership of programs and projects executed in their districts.
- Free local managers from central government constraints and as a long term goal, allow them to develop organizational structures tailored to local circumstances.

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<sup>2</sup>Tumushabe GW et al. Monitoring And Assessing The Performance of Local Government Council in Uganda: Background, Methodology and Score Card (ACORD Kampala 2010)

- Improve financial accountability and responsibility by establish a dear link between payment of taxes and provision of services they finance and
- Improve the capacity of local councils to plan, finance and manage the delivery of services to their constituents.

Hence, decentralization in Uganda is based on interlinked aspects (1) political and legislative empowering the people (2) fiscal devolution and (3) control of the administrative machinery by the local councils.

The decentralization policy in Uganda aimed at improving local democracy, effectiveness, efficiency and sustainability in the delivery of essential services country-wide. Improved service delivery was in turn expected to make significant positive impact on people's quality of life. Unfortunately, the implementation of decentralization appears to have concentrated more on administrative objectives as a means of promoting popular democracy and less for the majority of Ugandans, and now new districts are being created without corresponding improvements in service delivery. Surprisingly, this is happening in the midst of external praise that decentralization reform in Uganda is one of the most far-reaching local government reform programs in developing world.

Current decentralization policy focusing on the legal frame work of the policy, how it has been implemented and the problems associated with implementing policy as it is in Namutumba and also suggesting and proposing policy reform and other recommendations to achieve devolved and balanced development.

## 1.2 STATEMENT OF THE PROBLEM

Before the coming into force of the current constitutional regime, Uganda had only fifty two (52) districts. The present constitution and legal framework allows the creation of new districts and other lower local governments when need arises and lays down the procedure, currently Uganda has more than 120 districts created either on demand by the community or as government initiative to provide access to services by the community or as government initiative to provide access to services by the community and participation in governance by the local population . the continued demand for creation of new districts by the community according to research is based on the ineffectiveness in delivering devolved services like health which is characterized by inadequate staffing and absence of drugs at the far-to-reach scattered health centers and education comprised of non- performing government and government – aided schools in the already existing districts which is attributed to inadequate local financial resources and over reliance on conditional central government grants and inability to attract and retain sufficient trained and experienced staff coupled with corruption, nepotism and political patronage and elite capture of districts. Majority of these problem are rooted to the policy framework which according to the available literature is inadequate to provide fully functional,

Accountable and financially self – sustaining districts and easily be manipulated for creation of non-functional political administrative units.

### **1.3 OBJECTIVES OF THE STUDY.**

1. To discuss the effectiveness and workings of decentralization in Namutumba district .
2. To identify and analyze the legal framework governing decentralization in Uganda with specific reference to Namutumba district.
3. To identify and discuss problems with decentralization regime and make suggestion for improvement.
4. To identify and suggest the required reforms to the decentralization policy in order to achieve the intended aim of devolution in Uganda.

### **1.4 SCOPE OF THE STUDY.**

This research has considered Uganda's decentralization policy of 1997 emanating from the 1995 Constitutional regime which culminated into the enactment of the **Local Government Cap 243** and also consider its compliance the **African Union Charter on the Value and Principles Decentralization, Local Governance and Development** with the focus on Namutumba district and its sub- counties and town councils from on Namutumba district and its sub-counties and town councils from the time of its creation by parliament in 2005 and commencement on 1<sup>st</sup> July 2006 up to date analyzing the exercise of the executive, administrative and legislative powers conferred to the district under the current decentralization policy focusing on the legal framework of the policy, how it has been implemented and the problems associated with implementing the policy as it is Namutumba district and also suggesting and proposing policy reform and other recommendations to achieve devolution goal and balanced development.

### **1.5 RESEARCH QUESTIONS.**

1. What is Uganda's policy on decentralization and local government?
2. Is Uganda's decentralization policy effective to achieve the desired goals?
3. What are the problems associated with the decentralization policy in Uganda?
4. Has Namutumba district realized fully the decentralization policy by implementation?

### **1.6 SIGNIFICANCE OF STUDY**

The research will benefit the public by creating awareness of the existing duties and obligations associated with the district administration to the local people in the community.

The research will highlight the loopholes in the policy for the lawmakers and policy framers.

The research will alert the lawmaker and policy framers about the ineffectiveness of the current policy state in achieving the policy goals.

The research will highlight the untapped mechanisms and opportunities to the district officials to effectively achieve full functionality.

The research will attract the attention of the ministry of local government to the required policy reform.

## 1.7 RESEARCH METHODOLOGY

In collecting data to deal with this subject, reliance is mainly on doctrinal research methodology (black letter). Doctrinal methodology entails the review of the legal framework and in this context about decentralization in Uganda and other related materials of information about the topic. In this research I have reviewed the primary sources of information about the topic ranging from the constitution of the Republic of Uganda 1995 as amended and the local government Act Cap 243 as amended and the local government Act Cap 243 as amended to provide primary information cause they are the binding source of information about the topic in Uganda. However, the primary sources will be complemented by Secondly, sources ranging from textbooks, by renowned authors above the topic, articles, treaties, dissertations, papers presented at conferences and newspapers .reports about the topic, these materials are useful in providing information on the legal frame work and its implementation in the community cause they are compiled after an assessment of the policy and the reality in the community and also provides a comparison of the policy in Uganda and that adopted by other countries. The internet has also been a crucial source of information about the topic and its usage has been of great importance for the complication of information for this research

## 1.8 LITERATURE REVIEW

R. Mitchinson!<sup>3</sup>As a central feature of its overall public sector reform of the Uganda Government is deeply involved in one of the most radical devolution initiatives of any country at this time and one which is actively supported by a substantial part of the donor community. International aid is funding, in particular, a comprehensive public service Reform Program (PSRP), together with a local Government Development program (LGDP) operating under the PSRP umbrella the intended result is not merely decentralization (the shifting of implementation, rather than power, away from the centre), but the downward transfer of full responsibility for major public services. This calls for services to be delivered at the lowest level of governance capable of the task, and local authorities are the delivery vehicles, although there are opportunities to participate right down to the village level.

Local government, then, is the chosen instrument for implementing a major part of the revolutionary change in the way in which Uganda is governed. If it fails, it threatens the entire reform program. Success will depend heavily on the relationship between Central and local authorities and to other central Government department.

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<sup>3</sup>Robin Mitchinson. 2003. Devolution in Uganda: an experiment in local service Delivery. Published online in Willey interscience.

Local government and decentralization is at the centre stage of public service in Uganda a wide range of public service devolved to the local Government to be implemented at the level of the beneficiaries' access and need. But as Robin rightly put it, decentralization should not be limited to implementation of policies by the central government but also entail mechanism of formulation and representation of the reality in the national frame work policy making and assessment. Robin's contribution in research assessment of the state of decentralization in Uganda cannot be ignored but the policy in the present topic has undergone considerable reforms positive and negative since Robin's work in 2003 which could not be captured by the great scholar and which this project has covered.<sup>4</sup>

According to the **2016 comprehensive review of local governments**.<sup>5</sup> Government has continued to streamline and rationale structures, functions and staff establishments in order to make the rationale for local government in legislation, policy establishments of its institutions to make them respond to changes in legislation, policy and operational strategies as a measure of enabling productivity and service delivery. Over time, the performance of local government has continued to experience challenges following changes and new developments in the operations, management; legal, policy and economic frame work at the national, regional and re-organization of local government structures to make them more affordable, effective, efficient and accountable to the people of Uganda; and deliver timely, relevant and quality services. This majorly focuses on elimination of structural duplication and overlaps; minimization of wastage of resources; reduction in delays and time wastage; and ensuring value for money in service delivery.

Irrespective of a model decentralization system Uganda adopted in 1997, the central government has developed tendencies of mistrust in the structure and hence creating parallel power centers that execute the would be functions of the local governments, spring projects in various sectors are initiated either in the office of the president or office of the prime – minister to implement projects and program devolved by law (Local Government Act) sidelining the main stream.

Local government which is in the best knows of the community requirement. Projects like Operation Wealth Creation (OWC). National Agricultural Advisory Services which are directly controlled by the central government create structural overlaps and duplication as such initiative would be advantageous implemented by Agricultural and community development offices of the local government. This makes the review report majorly important to this research as they make connected analysis about the existing problem.

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<sup>4</sup> Robin Mark. 2007. Does Decentralization Improve Equity And Efficiency in Public service Delivery Provision? IDS Bulletin Vol. 38, No. 1

<sup>5</sup> Directorate of Public Service. 2016. Comprehensive Review of Local Governments in Uganda.



Peter Mukiibi Walubiri<sup>6</sup> is the author of *Uganda: Constitutionalism at Crossroads* specifically chapter where he stated that “Local government in Uganda is based on councils of the district and at the lower levels in each district. This council is the highest political authority in the district, county, and sub-county

This being the case the chairperson of the district is a constructional member of the council<sup>1</sup> and as such is the political head of the district. His powers are to preside over the distinct committee and to oversee the general administration of the district, coordinate the activities of the urban councils and other lower local administrative units in the local administrative Units in the district and to coordinate and monitor government functions and act as a liaison between the district and national government. A senior servant in the district is the Resident District Commissioner (RDC), one of his functions is to advise the district chairperson<sup>5</sup>. The role the Chief Administrative Officer is self-explanatory and is the chief accounting officer. But article 203 of the constitution empowers the RDC to carry out other functions as may be assigned by the president or prescribed by the parliament. This provision is submitted in so far as in refer to president makes the RDC a medium for direct presidential executive action in the district. Indeed there has already been some discomfort or conflict in order of precedence between the district chairperson and the RDC. It’s my submission that power of carrying out assignment cannot by its self-derogate from the overall potency of the district chairperson as the symbol of semi-autonomy of the district within the decentralized governmental system.”

Uganda’s decentralization policy was celebrated during the constitutional **making** as a model policy to be admired by other countries as it would deliver the intended and desired autonomy of the local authority and encourage independence of the people and involvement of the populace in planning policy and making decision for their own benefits. But the subsequent enactment **craw back** clause under article 203 could only cut short the celebrations as this meant the direct Presidential involvement of the administration of the district beyond the necessary National governmental oversight through the Ministry of Local Government and other oversight bodies including the National Legislature, the creation and modes of appointment of the RDC, as Mr. Peter Walubiri put it in *Uganda: Constitutionalism At Crossroads*. Undermines, semi-autonomous state of the District and the entire decentralization framework in general. But regardless of the relevancy of the text and researches of Mr. Peter, the Local Government Act and policy has undergone so many changes and amendment with the creation of new District which did not exist at the time of publication and were not considered including the district of focus, Namutumba which was created in 2006 longtime after publication.

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<sup>6</sup> Peter walubiri. 1999. *Uganda: Constitutionalism At Cross Roads*. Fountain publishers Ltd. kampala

## CHAPTER TWO

### LEGAL FRAMEWORK OF DECENTRALIZATION IN UGANDA

#### 2.1 General Introduction

Decentralization policies are part of vigorous initiatives to support rural development. In its most basic definition, decentralization is the transfer of part of the powers of the central government to regional or local authorities. Centralization is in response to the need for national unity, whereas decentralization is in response to demands for diversity. Both forms of administration coexist in different political systems. There seems to be a consensus since the 1980s that too much centralization or absolute local autonomy are both harmful and that it is necessary to put in place a better system of collaboration between the national, regional and local centers of decision-making.<sup>7</sup>

The renewed interest in this type of structure of the state that decentralization is, comes from the recognition that less centralized decision-making would make national public institutions more effective, and that it would make local governments and civil society more competent in the management of their own affairs. Recent research by different international organizations confirm this point of view:

Decentralization has kept its promise as far as the strengthening of democracy at the national level is concerned, as well as the central government's commitment in favor of rural development. It has thus contributed toward moving away from the bias toward urban areas in matters of development; to better management of the coordination of integrated rural development projects, and ensuring their sustainability. Decentralization has also reduced poverty which results from regional disparities, in paying more attention to the attendant socio-economic factors, in facilitating the gradual increase in development efforts, and the promotion of cooperation between the government and NGOs, while increasing transparency, accountability, and the response capacity of institutions.<sup>8</sup>

These observations have led some states to turn to the decentralized approach to development,

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<sup>7</sup>For a general survey of the periods when different Latin American and African countries started to experiment with decentralization, see the Country Profiles section in this Sourcebook.

<sup>8</sup>World Bank, "Decentralization, Fiscal Systems, and Rural Development".

especially so with the strong democratic processes in vogue, and the demands of new organizations of civil society that they participate in decision-making. The local level ceases to be the point of implementation of development policies decided by external actors, to become the place where local actors themselves determine the direction of their development, and implement them. Also, public policy decision-makers accept the necessity of citizen participation in order to make government action more effective and sustainable.

The aim of this chapter is to trace the history of the ongoing processes to the current situations so that they could be better understood<sup>9</sup>. Three major trends relating to decentralization can be identified:

The gradual appearing of a new distribution of responsibilities among the national, regional and local levels of government through the process of decentralization (an initial and limited form of decentralization);

The disengagement of the state and economic liberalization, which favored a new wave of decentralization through devolution;

Increased involvement of local jurisdictions and civil society in the management of their affairs, with new forms of participation, consultation, and partnerships.

Several definitions have been offered for decentralization. One of the most general defines it as the transfer of responsibilities and authority from higher to lower levels of government. Decentralization seeks to create relationships of accountability among citizens, service providers, and sub-national governments and between the local and central governments. This characteristic counteracts the perception that decentralization is simply shifting resources to local governments. Decentralization, in the modern sense, can be expressed as transferring administrative authority such as planning, decision making and the collection of public revenues from the central government to provincial institutions, local governments, federal units, semi-autonomous public institutions, professional organizations and voluntary organizations outside of the administration. Researchers have ignored the many dimensions of decentralization and have instead given the term multiple definitions. Centralization which is decentralization's antonym, has a much more precise and accepted usage as the concentration of power, resources, and authority in a single center. Decentralization is a process, a set of state reforms. It is a series of political reforms aiming for the transfer of responsibilities, resources and authority from higher level to lower

levels of state. Decentralization does not include the transfer of authority among non-state actors. However, decentralization reforms may take place both in authoritarian and democratic environments, as decentralization and democratization do not have the same meaning. Even the political systems describe as centralized and authoritarian can rearrange their structures and functions within the framework of decentralization.

Decentralization has political, administrative and financial dimensions. The political dimension includes the transfer of state administration, legislative authority and judicial autonomy to local governments.

The administrative dimension refers to the transferring of some classical functions of the state to autonomous public institutions. The fiscal dimension includes intergovernmental fiscal relations in countries where, constitutional and statutory powers of taxation, budget and expenditure rights are given to federal units within the federal state. The fiscal dimension of decentralization in Uganda is wanting as the local government have limited power s to levy taxes and also the enforcement framework portray a picture of double taxation to the taxpayer with ends up in evasion by taxpayers

### **Political Decentralization**

Political decentralization aims to give more authority to citizens and their elected representatives in decision making and public administration.

This concept is usually associated with pluralist democracy and representative governance. Political decentralization has also tended to support democratization by providing more opportunity for citizens and their elected representatives to affect the creation and implementation of policies. Political decentralization, in this sense, implies that the selection of representatives from local electoral jurisdictions allows citizens to better know their political representatives and allows elected officials to better know the needs and desires of their constituents.

However, political decentralization also requires constitutional or statutory reforms, development of pluralistic political parties, strengthening of legislatures, creation of local political units, and encouragement of effective public interest groups. Political decentralization

aims to give more power to citizens and their local elected representatives in public decision-making by distributing policy and law-making power at the local level.<sup>10</sup>

Political decentralization can also mean a set of constitutional amendments and electoral reforms designed to open new spaces for the representation of sub-national policies. These policies are designed to devolve electoral capacities to sub-national actors. The popular election of mayors and governors, the creation of sub-national legislative assemblies, and constitutional reforms that strengthen the political autonomy of sub-national governments prepare the ground for the success of such structures.

The legal and regulatory framework should also be designed to recognize differences in management capacity. Assignment of functional responsibilities – for example provincial capital, designated growth center, etc. often implicitly recognizes varying capabilities of municipalities, but a more dynamic framework which recognized "capacity" based on performance over time would be more desirable in the long run. Matching degree of autonomy and privileges to a set of performance indicators which might include total expenditure, degree of self-sufficiency (i.e., proportion of own revenues to total), budget management performance (i.e., absence of deficits), and service delivery performance (i.e., client surveys) – would allow the legal and regulatory framework to adjust for changes in local capacity. The appropriate time period for reassessments and indicators would need to be linked to country circumstances as well as the specific details of the decentralization framework. Political decentralization is a system of government in which there is a vertical division of power among multiple levels of government that each has independent decision-making power. Decentralized systems have three different levels of government. These are the national, regional, and local levels. Independent decision-making power refers to the fact that different levels of government can legislate on certain matters.

Local government units such as provinces, republics, cantons and states can each have a share of power. These organizations, because of their partial independence on executive and legislative issues, are second only to the national government. These local management units are still regulated by the federal constitution.<sup>11</sup>

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<sup>10</sup>[www.worldbank.org](http://www.worldbank.org), 2014.

<sup>11</sup>Green. E.

## **Administrative Decentralization**

Administrative decentralization seeks to redistribute authority, responsibility, and financial resources for providing public services between different levels of government. It is the transfer of responsibility for planning, financing, and managing certain public functions from the central government to subordinate units or levels of government, semi-autonomous public authorities or corporations, or area-wide, regional, or functional authorities. Administrative decentralization has three major forms: deconcentration, delegation, and devolution, each with different characteristics.

**Deconcentration** refers to a central government that distributes the responsibility to provincial organization within the scope of a particular policy. This transfer function affects the geographical distribution of authority, but does not significantly change the autonomy of the entity that receives the authority. The central government retains authority over the field office, and exercises that authority through the hierarchical channels of the central government bureaucracy. Under deconcentration arrangements, deconcentration allows only moderately more autonomy than centralized systems. In this system, the central government transfers some of its authority relating to decision-making and execution to the administrators that are head of the subunits in its hierarchy. In this context, the redistribution of decision making authority and financial and management responsibilities among different levels of the central government, is usually considered the weakest form of decentralization and is mostly used in unitary states. Within this category, however, policies and opportunities for local input vary. Deconcentration can shift responsibilities from central government officials in the capital city to those working in regions, provinces, or districts, or it can create strong field administration or local administrative capacity under the supervision of central government ministries.

**Delegation** is a more extensive form of decentralization. It transfers political responsibility to local governments or to semi-autonomous organizations that are not controlled by the central government but are accountable to it. Through delegation, central governments transfer responsibility for decision making and administration of public functions to semi-autonomous organizations accountable to it. Governments delegate responsibilities when they create public enterprises or corporations, housing authorities, transportation authorities, special service districts, semi-autonomous school districts, regional development corporations, or special project implementation units. These organizations usually have wide discretion in decision making.

They may be able to charge users directly for services. The main difference between deconcentration and delegation is that the central government exercises its control through a contractual relation that enforces the accountability of local government.

**Devolution** is the transfer of authority for decision making, finance, and management to quasi-autonomous units of local government with corporate status. Devolution usually transfers responsibilities for services to municipalities that elect their own mayors and councils, raise their own revenues, and have independent authority to make investment decisions. In this system, local governments have clear and legally recognized geographical boundaries over which they exercise authority and within which they perform public functions. It is this type of administrative decentralization that underlies political decentralization.<sup>12</sup> When compared with the other two types of administrative decentralization, devolution provides the greatest degree of autonomy for the local unit. The local unit is only accountable to the central government insofar as the central government can impose its will by threatening to withhold resources or responsibility from the local unit. Local units are only accountable to the central government as long as the central government can impose its will. However, devolution enhances the power of local governments in that central government cannot be in direct relation.

**Privatizing** is described as the transfer of a certain degree of the control of public functions by retaining voluntary organizations and private profit or non-profit organizations. It requires the state's control and supervision functions to be undertaken by the private sector.

#### **Fiscal Decentralization:**

Fiscal decentralization refers to a series of policies designed to increase the financial autonomy of sub-national governments. If local governments and private organizations are to carry out decentralized functions effectively, they must have adequate revenues transferred from the central government as well as the authority to make expenditure decisions. Fiscal decentralization can be carried out under the conditions stated below <sup>13</sup>

- Self-financing or cost recovery through user charges,

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<sup>12</sup>Rondinal.Densis. 1981 Government Decentralisation in a comparative perspective. Theory and practice in Developing countries.

<sup>13</sup> [www.worldbank.org](http://www.worldbank.org), 2013

- Co-financing or coproduction, in which users participate in providing services and infrastructure through monetary or labor contributions,
- Expansion of local revenues through property or sales taxes or indirect charges,
- Intergovernmental transfers of general revenues from taxes collected by the central government to local governments for general or specific uses,
- Authorization of municipal borrowing and mobilization of national or local government resources through loan guarantees.

In a fiscally decentralized system, more effective and productive use is possible when resources are provided by local actors and the costs and benefits of goods and services provided by local governments are limited to the region in question. Local governments can determine consumer preferences more easily and offer goods and services more suitable to these preferences; whereas central governments provision of these goods and services is more time consuming and costly. Furthermore, local governments are more easily held accountable than central governments. These are just a few facets of fiscal decentralization that emphasize the aspects of its political and economic rationality. In this context, it has been argued that productivity will increase and local initiative and entrepreneurship will develop because the fiscal authorization right is transferred by the central government to local or regional administrations. administrative decentralization in the unitary structures.<sup>14</sup>

## Conclusion

The management styles which give positive results, existing in literature and accepted or implemented in developed or underdeveloped countries, cannot be installed in every structure. There is always a possibility that geographical, cultural and historical conditions in a country shaped by disabling administrative formulas will cause decentralization to fail. This reality gave prominence to the importance of the implementation of management techniques formulated with the perspective of historical and cultural background for every society from time to time. Political decentralization is the transferring of some part of the political authority of the central government to the local governments and federal units. This understanding, of giving partial independence in executive and legislative areas in countries with a federal structure to local governments or switching to provincial governments, in unitary states, seeks to find application.

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<sup>14</sup>Green. E. 2015. Decentralization And Development in Contemporary Uganda. Regional and Federal Studies. ISSN 1359-75



It has been observed that the exercise of political decentralization with the demands of mostly culturally non-homogeneous societies has brought about ethnic divisions in many countries. To be successful in these cases, it means establishing a new separate autonomous state which is semi-independent from the federal government. Thus, implementation of political decentralization in countries with ethnic fragmentation has not been very significant. It is clear that the most appropriate system for administrative decentralization is in countries that have a unitary structure with multi-part ethnicity. In this situation, decision making bodies can be determined by elections, which provides autonomy in making decisions, the creation of their own income sources and expenditures, the public's influence on policies related to local services through direct or indirect means, the mobilization of public interests and the organizational capacity of local governments will be increased, bringing a more effective and productive management approach to local administration units. Thus, it will be possible to take steps for the level of the country's development and the maximization of democratic performance.

## **2.2. The historical background of decentralization in Uganda**

The history of decentralization in Uganda can be traced way back to the colonial days. However, it was not until the rise of the National Resistance Movement (NRM) government to power under the leadership of Yoweri Kaguta Museveni<sup>15</sup> that decentralization was accorded the prominence it enjoys in the country today. It will be recalled that the British, in the execution of their indirect rule policy, established a hybrid system of administration in most of their colonies including Uganda, where some powers were granted to the native leaders while the colonial government reserved overriding powers through the representatives of the colonial government. In Uganda's case, this system of administration was exemplified by the *African Native Authority Ordinance* of 1919,<sup>16</sup> which provided for the powers and duties of African chiefs in the colonial administration. Under the Ordinance, chiefs were appointed at the village, sub-county and county levels with powers to collect taxes, preside over native courts, and maintain law and order. These

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<sup>15</sup>Museveni (the president of Uganda from 1986 to date) fought a guerilla war that brought him to power under a system of government known as the National Resistance Movement (NRM), commonly referred to as the Movement Government, which formed the first government under his leadership until 2001, when the country adopted a multiparty system of government. The name Movement was then adopted as the name of his political party, which continues to dominate Uganda's politics.

<sup>16</sup>Entebbe, Government Printer 1919.

chiefs were, however, accountable to the District Commissioner, the executive head of the district and the principal representative of the central government.

The Local Government Ordinance of 1949<sup>17</sup> ushered in new changes by establishing the district as a local government unit with a fairly autonomous administration. Among the different organs of the district were the District Councils, which were comprised of elected members and were responsible for district administration. Notably, though, the central government still retained overriding powers over District Council decisions. Chiefs remained salaried local government officials who were responsible to the central government through the District Commissioner.

The independence Constitution was abrogated in 1966. The successor Constitution of 1967 centralized powers. The overthrow of the post-independence Obote government by Idi Amin through a military *coup* led to the establishment of a military regime between 1971-1979 during which districts were dissolved and regional/provincial administrations led by Governors who were high-ranking military officers were established. The second Obote government (1980-1985) did not make any significant efforts to change the system.<sup>18</sup> Thus Uganda gradually but steadily witnessed increased centralization of powers through the various political regimes from independence until 1986, when the nascent NRM government initiated fundamental changes in local government which culminated in the enactment of the Local Government Statute of 1993 and the subsequent Local Government Act of 1997. Under the same regime, the 1995 Constitution, which adopted and further articulated the local government system of government, was promulgated. The current system of local government is by far more robust and elaborate than any other that was ever attempted in the country's history.

### **Decentralization under the constitution.**

Decentralization in the independent Uganda.

At independence in 1962, Uganda had 11 districts and four kingdoms.<sup>19</sup> The independence Constitution of 1962 established a decentralized system with elements of both federalism and decentralization in the governance system. The kingdom of Buganda enjoyed a unique federal

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<sup>17</sup>The African Local Government Ordinance and District Council Proclamations and Regulations, 1949; Entebbe, Government Printer, 1949.

<sup>18</sup>Oloka-Onyango, *Decentralization without Human Rights?* 4-9

<sup>19</sup>The constitution of Uganda 1962, section 4

status conquered to others the kingdoms of Ankole, Bunyoro, Toro and the territory of Busoga were accorded semi-federal status.<sup>20</sup> The other parts of the rest of the country, comprised of the districts of: Acholi, Bugishu, Bukedi, Karamoja, Kigezi, Madi, Sebei and West Nile all administered through councils.<sup>21</sup>

After the nullification of the independence constitution in 1966, the 1967 constitution replaced it and this centralized power. Milton Obote was the implication of reducing space for people participation in decision making about how and who should govern. Through a military coup, Obote was overthrown by Idi Amin who established a military regime between 1971 and 1979. During the military regime, districts were dissolved and the regional/provincial administrations led by governors (high-ranking military officers), were established. Local governance at this time is not considered a conduct for local participation and accountability, but a tool to tighten grip on power for the dictatorship. The local governance structures were also seen as a tool to terror on the masses to make them conform to the desires of Idi Amin.<sup>22</sup>

In resistance to the above, Obote captured power from Amin in 1980, he did not, in the five year period, make any significant efforts to change the system. Instead, he used it to entrench his style of rule that continued to exclude people participation in governance at all levels. The haggling for power continued, thereby limiting the possibility of any leader to stay long enough in power, and may be concentrate on building structures of government.

The little time available was spent on tightening the grip on power. Obote did not stay long in power; 1985-86 Tito Okello took over and on 26 January of 1986, he was overthrown by Yoweri Museveni. Okello's reign was less than one year, and no efforts had been spent at sub-national governance issues but efforts geared towards keeping the presidency.<sup>23</sup>

Post 1986 period.

The system started off with the creation of small units at the village level called Resistance Committee. These were catered, regulated through the resistance council/committee's (RC'S)

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<sup>20</sup> Rose Nakayi. Local governance in Uganda

<sup>21</sup> Ibid

<sup>22</sup> World history, Uganda: Amin Dada: coup and Regime, 1971-1979

@<http://www.worldhistory.biz/sundries/41128-uganda-amin-dada-idi-coup-and-regime-1971-1979.html>.

<sup>23</sup> Rose Nakayi. supra

statute 9 of 1987 which dealt with details of their mandate and operation. These formed the initial structures and over the years, a robust structure including local councils at the district level, municipal level, and sub county/division/town council levels evolved and were regulated by the local government Act of 1997. It has gone through a series of amendments to make the system adapt to contemporary issues. A most recent development in Uganda's decentralization system is the enactment of the Kampala Capital City Authority from being a local government to a central government corporate entity. Nonetheless there is still provision in like KCCA for elected politicians such as the Lord Mayor and councilors whose current relationship with the appropriate of the central government in terms of who has which powers to do what is proving to be a biter one.

Local governance under the 1995 Constitution. The foundation structure of local governance system is laid down in chapter eleven of the constitution of Uganda 1995. The provides that the district is the basic unit under which lower local governments are run in such a way as parliament may stipulate. This does not affect the possibility of a merger of more districts to come up with a regional government. The constitution goes ahead to set out principles that apply to local government systems which include local governments are to ensure that " functions, powers and responsibilities are devolved and transferred ..." systematically from the government to the lower local government level: it is meant to ensure "... people's participation and democratic control in decision making, " it ensures ... democratic governance at all local government level..." put in place mechanisms to ensure a stable financial base: through plan and policy implementation, deal with matters affecting their people; person serving in the system and lower local governments have to democratically elected.

The constitution envisaged a system which would run on the basis of districts; parceled out into smaller units. A clear picture on the preceding is given earlier in the constitution setting out the administrative unit of the country as regional governments, districts and Kampala. Kampala and out as a unit administered by the central governments for it is capital city of the country. The first schedule to the constitution lists 75 districts in clarification of article 5(2) (C) on the districts of Uganda. Since the promulgation of the constitution allows parliament to adjust the boundaries of existing districts or even demarcate new ones as long as majority of members of parliament are free to this. The constitution further stipulates what should guide a decision to create new districts... The necessity for effective administration and the need to bring services closer to the