Opposition Politics and Urban Service Delivery in Kampala, Uganda

Gina M. S. Lambright*

Uganda, like other African countries, has implemented reforms to decentralise political authority to local governments and reintroduce multi-party elections. This combination creates opportunities for national partisan struggles to emerge in local arenas and influence local service delivery. This article examines service provision by Kampala City Council and recent reforms to recentralise control over the city. It finds that partisan politics undermines service delivery in Kampala in several ways, including through financing, tax policy, and even direct interference in the policies and decisions made by the City Council.

Key words: Africa, decentralisation, multi-party elections, service delivery

1 Introduction

Uganda’s capital city, Kampala, has been described as a ‘modern “executive slum” because of the breakdown in most of its social services’ (Otage and Ngosa, 2011). Uganda’s decentralisation policy gives local governments responsibility for local service provision in critical policy areas, including education, water and sanitation, solid waste management and roads. Like Kampala, most urban governments in the country struggle to fulfil these responsibilities. Many factors influence their ability to deliver critical services to urban residents. The country’s rapid urbanisation, estimated at nearly 5% a year, certainly increases the demand for services from urban councils, contributing to the widely held view that urban governments are not doing enough to meet the needs of residents. The municipal government in Kampala, in particular, faces additional structural constraints, given the high rates of migration to the capital city and the large portion of the city identified as wetland.

In many African countries the combination of decentralisation and competitive multi-party elections creates opportunities for national partisan struggles to emerge in local arenas. Local governments often become an arena in which national political elites seek to advance national political interests. Like a growing number of other ‘contested cities’ (Resnick, this issue) on the continent, Kampala City Council (KCC) has historically been controlled by Uganda’s political opposition. How does partisan politics generally affect urban service delivery in Uganda? To what extent does it explain the KCC’s reputation for

*Independent researcher (gina.lambright@gmail.com). She would like to thank participants in a workshop hosted by UNU-WIDER for their helpful comments and suggestions on the study, also numerous administrative staff, politicians and NGO leaders in Kampala and Entebbe for their help in conducting the fieldwork, and Innocent Tuhairwe for his research assistance. The views expressed in this article are those of the author and do not reflect the official policy or position of the Foreign Service Institute, Department of State, or the US government.

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poor performance? This article explores these questions through an examination of recent trends in Kampala, including reforms to centralise control over the city, and contributes to the growing literature on the politics of urban governance in the capital.

The article argues that politics plays an important role in service delivery in Uganda’s urban councils. The effect of politics, however, is less straightforward than might otherwise be expected. Uganda’s National Resistance Movement (NRM) government regularly employs ‘strategies of subversion’ (Resnick, Introduction) to subvert and weaken the authority of local governments. Unlike the situation in Senegal (Resnick, this issue) and other African countries, however, the NRM government’s actions undermine the work of local governments of all political leanings. Like Goodfellow (2010), Goodfellow and Titeca (2012), and Gore and Muwanga (2013), I argue that central-government officials, including President Museveni, consistently intervene to alter and undo the policy decisions and actions of the KCC. Yet the NRM’s motivations for interfering in the city’s governance reach beyond partisan struggles. Political opposition to the NRM government alone cannot account for central-government interference in the KCC’s affairs, nor explain the KCC’s dismal record of service delivery. Kampala’s commercial and political importance in the country, combined with its longstanding and highly visible political opposition to the central government, makes it a target of such interference, with negative repercussions on service delivery.

In Kampala, political interference in the work of the city government includes a dramatic manipulation of local political institutions and interference in contracts for local development projects, such as the prominent case discussed below of Hassan Basajjabalaba’s contracts to develop several of Kampala’s largest markets. The recentralisation of Kampala’s administration exemplifies ‘active obstruction’ (Resnick, this issue), as the NRM government adjusts the responsibilities of urban governments as part of partisan political struggles. The takeover of Kampala serves two key political purposes for the NRM: (i) it reinforces the government’s ongoing narrative about the inefficiency and corruption that plague the opposition-led city government and undermine the KCC’s service delivery; and (ii) it reflects the NRM government’s strategy to protect itself from political fallout associated with public dissatisfaction and even anger with poor living conditions in the city.

Generally, political interference in Uganda’s local governments is associated with worse local-government performance (Lambright, 2011). It remains to be seen how Kampala’s urban poor will fare as a result of the NRM’s strategies to weaken Kampala’s city government, but prior interference in city affairs by central-government representatives has weakened service delivery in a number of ways. Although the recentralisation of Kampala is still relatively recent, there are already indications that central-government interference will continue even as the city administration is no longer headed by the opposition.

The future of Uganda’s decentralisation programme is uncertain and the central-government takeover of Kampala is part of a larger recentralisation trend. Donors have played an important role in supporting the country’s decentralisation through financial and technical support to the programme. Yet recent changes in donor strategies for delivering aid to Uganda, motivated by worrisome political trends in the country, including rising corruption and shrinking space for political opposition, have the unintended consequence of contributing to the rollback of decentralisation. While donor-funded projects are critical to ongoing efforts to manage rapid urbanisation and improve the quality of life for Uganda’s
urban poor, the effect of recentralisation – at the hands of President Museveni or the indirect result of donor strategies – on the lives of the urban poor remains to be seen. Observers of Uganda note a general trend of declining service delivery across the country, arguably fuelled by the current political trends (see, for example, Kiwanuka, 2012; Bashaasha et al., 2011). It is unreasonable to expect that service delivery in Uganda’s urban areas will prove to be an exception to the overall downward trend. The increasing linkages between politics and business in the country (Barkan, 2011; see also Tripp, 2010: 129) may instead fuel increased competition for land and other resources in Kampala, with negative consequences for the country’s urban poor.

2 Decentralisation and partisan politics in Uganda

Decentralisation in Uganda preceded reforms to reintroduce multi-party politics. In fact, decentralisation comprised one of the points in the NRM’s Ten Point Programme during its guerrilla war against the Obote regime in the early 1980s. Formal efforts to decentralise political and administrative responsibilities to local governments occurred shortly after Museveni’s NRM government took power in 1986. The resistance councils that had been created during the war evolved into the current five-tiered hierarchical system of local councils in 1995 with the adoption of a new Constitution. The 1997 Local Government Act (LG Act) deepened the country’s policy of decentralisation, devolving considerable responsibilities and resources to district and sub-county councils and their urban equivalents. The Act granted district and urban councils responsibility for development planning and annual budgeting, as well as service delivery in key sectors, including education, health care, water and roads. Urban councils bear additional responsibilities to tackle issues unique to urban areas, such as providing and maintaining street lighting and fire brigade services, solid waste collection and management, and regulating and licensing various commercial activities and businesses, such as markets and street hawkers.

Uganda’s decentralisation policy, as laid out in the 1995 Constitution and the 1997 LG Act, placed it among Africa’s most decentralised countries (Dickovick, 2005; Ndegwa, 2002). Yet recent institutional and policy changes have recentralised control and stripped local governments of authority, staff and resources (Lambright, 2011: 28–31; Tumushabe et al., 2010: 8).

In sharp contrast to its commitment to decentralise authority to local governments, the NRM government tightly restricted political competition until 2005 when many, albeit not all, restrictions on political-party activity were lifted. Prior to 2005, Uganda operated a ‘movement’ political system. Under the movement system, political parties were technically allowed to exist, but their activities were severely restricted, including prohibitions on organising branch offices, holding public rallies, sponsoring a platform, or campaigning for or against a candidate (Uganda Government, 1995: 167). Candidates for office ran on individual merit rather than party affiliation, which in practice provided considerable advantage to the ruling NRM. Despite reforms to allow multi-party

1. For example, Section 5 of the LG Act (1997: 12) states that ‘a City shall be equivalent to a District, and a City Council shall exercise all functions and powers conferred on a District Council’ and ‘a [municipal] Division shall be equivalent to a Sub-county’.

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competition, political opposition in Uganda remains restricted in a number of ways, including extreme incumbent advantage that gives the NRM preferential access to resources and the media.

There are many reasons to expect that local governments in Uganda will provide arenas for promoting national political interests with negative effects on the delivery of services. Museveni’s government has regularly used political reform for instrumental purposes. For example, the NRM’s promotion of and subsequent retreat from decentralisation can be linked to the party’s efforts to hold on to power. Decentralisation figured prominently in Museveni’s stated goal of fostering a ‘participatory democracy’ under the politically restrictive movement system. Grassroots participation offered a substitute for genuine political competition. The decision to liberalise political competition has been interpreted by some observers as a concession to ensure that term limits were removed to enable Museveni to stand for a third, and most recently a fourth, term in office. Recent recentralising reforms coincided with the loss of political control that accompanied the return to multi-party politics.

3 Political control of urban centres

While Uganda’s local governments are overwhelmingly dominated by politicians aligned with the NRM, many urban local governments, including the KCC, are important bases of political opposition. Politicians aligned with the political opposition, particularly the Democratic Party (DP), have governed the KCC since the NRM introduced local elections in 1998, although the situation changed with the 2011 elections. For example, Hajji Nasser Sebaggala, a multi-partyist and DP supporter, was elected in 1998. Ssebaana Kizito, another multi-partyist and DP supporter, succeeded Sebaggala in 1999 and won re-election in 2002. Sebaggala returned to the mayoral seat in 2006, when he was considered an ardent opposition supporter, despite the fact that he ran as an independent, contested against the DP candidate, and had a long history of opposition to the leadership within the DP.

The story is more complicated, however. Sebaggala joined the ruling NRM party in September 2010. His explanation for his personal political transformation echoed the conventional wisdom in Kampala that the city’s political opposition to the NRM undermines service delivery. He stated, ‘My people want good service delivery. They need roads without potholes and a garbage-free city. We can achieve more when we ally with the ruling party.’ DP candidate Erias Lukwago won the 2011 mayoral election, defeating NRM

2. ‘NRM Dominates City Council Seats’, The Monitor, 16 March 2011.
3. Before 2006, opposition candidates were termed ‘multi-partyists’ because of their support for a return to multi-party politics. Despite the ban on political-party activity and affiliation, candidates’ political loyalties were obvious to voters.
4. Sebaggala’s term was cut short when he was arrested in 1999 in Boston, Massachusetts on charges of fraud and making false declarations to US Customs. A by-election was held in 1999 to replace him.
5. ‘Democratic Embraces Sebaggala’, New Vision, 24 April 2006.
6. In 2009, Sebaggala sued Democratic Party president Ssebaana Kizito because of personal dissatisfaction with the internal party proceedings, but the suit was dropped in early 2010.
7. In February 2010, Sebaggala quit the Democratic Party and formed the Liberal Transparent Party (LTP) before subsequently joining the NRM.
8. ‘Museveni best to lead Uganda-Sebaggala’, New Vision, 23 September 2010.
candidate Peter Sematimba. Nevertheless, the NRM performed better in the 2011 elections in Kampala than it had in previous elections, winning a majority of seats on the City Council. In fact, the NRM won over 60% of the seats in 2011 compared with 35% in 2006.9

4 Urban service-delivery challenges in Kampala

Kampala is Uganda’s capital and largest city and the administrative and commercial centre of the country. The sheer magnitude of the problems confronting administrators in Kampala can be overwhelming. In 2002, the city’s population was an estimated 1.2 million people (Uganda Government, 2005a), although the population more than doubles during the day as Ugandans flock to the city for work and other business.

Kampala is known for traffic jams, exacerbated by thousands of taxis and boda bodas – motorcycle taxis – that ply the streets, numerous slums, and piles of uncollected garbage. Nearly half of its residents live in unplanned, informal settlements without access to basic services, such as water, sanitation, or proper housing.10 The city has been described as ‘a city of garbage mountains’ or ‘the dirty city’ by residents critical of the KCC’s efforts to remedy these problems (KCC, 2009: 9). The KCC is also often portrayed as one of the most corrupt and inefficient councils in the country, seen to be unable to ‘collect taxes, effectively collect waste, fill potholes or approve building plans without a bribe’ (Gore and Muwanga, 2013: 9).

The management of solid waste is a huge issue for all urban councils in Uganda, the KCC included. By the KCC’s own estimates, the city ‘generates 345,000–400,000 tons of garbage annually’ (KCC, 2009: 49). On average, municipal councils in Uganda collect only 35% of the garbage generated annually (Uganda Government, 2010a: 10). The KCC’s performance in solid waste management falls below the national average with annual garbage collection somewhere between 33% (ibid.: 10) and 25%.11 Uncollected garbage around the city significantly contributes to the growth of the rodent and marabou stork populations (Nyakaana, 1997: 37).

Inadequate financing is the central challenge facing Uganda’s urban councils, particularly financing for solid waste management. According to the Local Government Finance Commission (LGFC), municipal councils receive less than a third of the revenue needed for garbage collection (Uganda Government, 2010a: 10). The KCC needs an additional Ush 10 million to manage adequately the solid waste generated annually in the city (ibid.). Yet, a report by the Auditor General notes that the city’s failings in garbage collection go beyond simply insufficient resources (Oluka, 2010a). The report finds that the KCC operated with fewer than half the trucks needed to collect the city’s garbage and during the five-year period reviewed (2002/3–2007/8), lacked a policy to replace and maintain these vehicles. Moreover, the City Council failed to properly enforce its own solid waste management by-laws (ibid.).

Sanitation is also a serious problem in the city. Less than 10% of the population is estimated to be on the existing sewage system (African Development Fund, 2008: 2). The overwhelming majority of city residents rely on pit latrines or in many of the most densely

9. ‘NRM Dominates City Council Seats’, The Monitor, 16 March 2011.
10. http://www.unchs.org/content.asp?cid=3294&catid=270&typeid=13&subMenuId=0
11. ‘Multi-billion project to clean up polluted Nakivubo Channel underway’, New Vision, 21 April 2010.
populated areas, people lack any access to sanitation facilities and must rely on plastic bags (‘mobile toilets’) (Matagi, 2002: 128). In addition to being woefully inadequate, the sewage system actually handles less than half of the metric tons it was designed to treat. ‘The rest oozes out of the manholes and old dilapidated sewer pipes’ (ibid.:127). The sewers are also prone to blockage, due to missing manhole covers that are not replaced and, consequently, allow storm water and accompanying debris to clog the system (ibid.).

The quality of roads in the city is abysmal, prompting some residents to stage protests on roads with the most potholes, including ‘fishing’ into some of the city’s largest potholes after rain (Oluka, 2010b). In December 2010, city residents organised a photo exhibit, Pothole Expo 2010, to display photos of various potholes around the city (ibid.). Citizen frustration with the council’s poor road maintenance even prompted three residents to sue the KCC over the quality of the roads (Mukisa, 2010).

Despite its image as a poor performer, it is not clear that the KCC actually performs worse than other municipalities, and, if so, whether its poor performance can be linked to the party affiliation of its mayor and councillors. In a recent assessment of 20 districts, Kampala scored above average on measures assessing the performance of the council, the mayor, and the speaker (Tumushabe et al., 2011: 33–4, 40, 43).

5 Central-local relations and services for the urban poor

To what extent do partisan political struggles shape the quality of service delivery in Kampala? Museveni’s government undermines service delivery in Uganda’s urban councils, whether dominated by the opposition or the NRM, in a number of ways. Most importantly, politics drives most of the decisions and actions of the central government, undermining the service-delivery goals and the effectiveness and efficiency of urban local governments. We see this in the direct political interference in the affairs of urban councils and indirectly in policies that run counter to the interests of Uganda’s urban population. The efforts of the KCC are negatively affected by several policies of the central government, but, perhaps more than other municipal councils, it is a victim of political interference by the NRM.

For example, the limits on fiscal decentralisation tie the hands of all local politicians in Uganda, NRM or opposition. A Ministry of Local Government (MoLG) official stated this clearly: ‘Whether opposition or government, they [local councillors] can only apply the government agenda because of the conditional grants. 85% of local government budgets are conditional grants’ (interview with Commissioner, MoLG, May 2011). The dependence on central-government transfers, particularly conditional grants that are earmarked for certain activities, significantly limits the policy options of local governments in Uganda.

In addition, there have been recent efforts on the part of the NRM government to recentralise power and unravel components of the decentralisation policy. Most importantly, the Local Government Amendment Act (2005) stripped local councils of the authority to hire or fire Chief Administrative Officers, which limits the control elected politicians have over administrators in the local governments. Salaries for local politicians are also now paid by the central government, eroding the fiscal link between elected leaders and local communities.
5.1 Local-government financing: central-government transfers

Given the dependence on fiscal transfers from the centre, Uganda’s central government significantly affects urban service delivery through the allocation of resources to local governments. Conventional wisdom in Uganda holds that political supporters are rewarded in the allocation of resources, while political opponents are punished (see, for example, UDN, 2006: 28). For example, local councils in districts with lower electoral support for Museveni receive fewer Cabinet posts and reduced access to the resources that accompany such positions (Lambright, 2011: 156–63). The President’s preference for appointing individuals who hail from his home region in western Uganda drew criticism from within the NRM in 2007.12

Not surprisingly, a habitual complaint in the KCC has been that financing is too low for the Council to provide adequate services to the public. A former town clerk of the KCC emphatically made this argument: ‘The central government wanted to show that the opposition couldn’t do anything. … The government wouldn’t dump the money needed into KCC while the opposition controlled it. So government wouldn’t give the opposition credit’ (anonymous interview with former KCC official, June 2011).

While financing alone may not fully explain the numerous problems plaguing service delivery from the KCC, evidence to support the conventional wisdom that opposition-controlled local councils receive fewer resources from the central government is mixed. On the face of it, the amount allocated to each council is determined by precise formulas based on population or size and, as such, there would not appear to be much room for politics in the allocation of such grants.

A comparison of raw figures for central-government releases to the KCC and the ‘average’ district council challenges the view that the KCC is punished with smaller transfers from the centre. For example, the KCC receives on average nearly three times the amount given to the average district council (see Table 1). In terms of some grants, the transfers to the KCC far exceed those given to councils in other districts. For example, although critics of the KCC’s road-maintenance efforts describe the city as the ‘pothole capital of the world’ (Makuma and Asiimwe, 2010), the Council received over 14 times the amount for rural feeder roads than the average Ugandan district in 2009/10.

Moreover, if we compare the releases to the KCC with those to a neighbouring NRM-controlled municipal council, Entebbe Municipal Council (EMC), there is little to suggest that the KCC is punished for its political opposition. Transfers to the EMC in 2009/10 fall far below the grants to the KCC. In fact, for most grants, the KCC receives more than five times the amount transferred to the EMC.

While a comparison of the total amounts released to the KCC and other local governments suggests that the KCC is relatively well-funded, an examination of the amount transferred to the KCC per capita presents a different picture and provides some evidence to support the commonly held view that the NRM punishes the KCC financially. Instead, per capita releases to Kampala are less than half of what the average district receives for the same central government grants (see Table 1). The KCC’s per capita release also falls well below the average for six opposition-headed municipalities and the EMC.

12. ‘NRM Meet Fired Up as Museveni’s Accused of Sectarianism’, The Weekly Observer. 27 December 2007. Discussed in Lambright (2011: 157–8).
Table 1: Central-government releases to Kampala FY2009/10 (Ush '000)*

| Total                           | Kampala | As % of 'average' district | As % of Entebbe Municipal Council | As % of average for 6 ‘opposition-controlled’ municipalities |
|--------------------------------|---------|----------------------------|-----------------------------------|----------------------------------------------------------|
| Total release                  | 33,886,407 | 306.9                     | 809.1                             | 707.0                                                    |
| Unconditional grant            | 2,567,169 | 250.9                     | 464.4                             | 400.7                                                    |
| Primary healthcare development | 136,419  | 42.7                      | 169.5                             | 90.3                                                     |
| Primary healthcare nonwage     | 634,542  | 427.4                     | 1036.1                            | 1098.1                                                   |
| School facilities grant        | 97,366   | 22.6                      | 220.4                             | 72.3                                                     |
| Rural feeder roads             | 7,413,596 | 1424.1                    | 1482.7                            | 1538.3                                                   |
| LGDP                           | 4,009,249 | 771.3                     | 1626.3                            | 1516.3                                                   |
| PAF monitoring                 | 35,455   | 177.0                     | 381.2                             | 401.8                                                    |
| Graduated tax compensation     | 2,617,195 | 784.5                     | 953.9                             | 951.2                                                    |

Per capita*:

| Total                           | Kampala | As % of 'average' district | As % of Entebbe Municipal Council | As % of average for 6 ‘opposition-controlled’ municipalities |
|--------------------------------|---------|----------------------------|-----------------------------------|----------------------------------------------------------|
| Total release                  | 23,864  | 47.5                      | 40.0                             | 37.8                                                    |
| Unconditional grant            | 1,808   | 38.8                      | 23.0                             | 21.6                                                    |
| Primary healthcare development | 96      | 6.6                       | 8.4                              | 5.2                                                     |
| Primary healthcare nonwage     | 447     | 66.1                      | 5.1                              | 56.5                                                    |
| School facilities grant        | 69      | 3.5                       | 10.9                             | 4.2                                                     |
| Rural feeder roads             | 5,221   | 220.0                     | 73.3                             | 87.8                                                    |
| LGDP                           | 2,823   | 119.4                     | 80.4                             | 88.5                                                    |
| PAF monitoring                 | 25      | 27.5                      | 18.8                             | 20.9                                                    |
| Graduated tax compensation     | 1,843   | 121.4                     | 47.2                             | 52.7                                                    |

Notes: (a) Exchange rate: US $1 = 2296.2 Ush on January 30, 2012; (b) Average based on average release to district councils; (c) Average based on releases to six opposition-controlled municipalities (after 2006 elections): Gulu, Kabale, Jinja, Lira, Masaka, and Soroti; (d) LGDP is Local Government Development Programme, a programme to decentralise capital development expenditure; (e) Per capita figures calculated by dividing total release by 2009/10 population.
Sources: Data on central government releases from the Local Government Finance Commission (June 2011) and compiled by the author.
Given that population data are important criteria in determining the allocation of these grants, we would expect per capita releases to be relatively similar across diverse districts and municipalities. These differences also support calls made by some observers for treating Kampala differently, with its large and rapidly growing population, in determining resource allocations and providing a special grant to cover the true costs of service delivery in the city. Their argument is not that Kampala did not receive the resources to which it was legally entitled, but rather that the amount of resources transferred to the KCC was insufficient to meet the service-delivery challenges facing the local government in the country’s capital and largest urban area. As an official with the MoLG explained:

The sources [of financing] to Kampala were like to a district. They were not commensurate with the tasks. The financing was very low. The reform tackled the financing [gap]…we increased the money and the central government is taking over the administration. (Interview with Commissioner, MoLG, May 2011)

Another common perception is that opposition-headed councils do not receive funds from the central government as scheduled either in terms of the amount promised or the timing of releases. The tendency for the central government to deviate from the established budget undermines planning and service provision in all local governments, whether controlled by the NRM or the opposition. This includes the practice of off-budget expenditures and the creation of supplementary budgets. Supplementary budgets are most often used to fund State House expenditures or to increase the number of diplomatic missions abroad and are usually funded by cutting the budgets of less powerful ministries, such as service ministries, or by reducing discretionary spending (UDN, 2006: 34–5). There is little evidence that supplementary expenditures are used to fund service provision. In fact, in 2002/3, nearly 36% of the supplementary budget went to the security sector (ibid.: 35).

A quick look at budget performance since 2000 does not suggest that the KCC has been punished in terms of the delivery of budgeted releases. For example, between 2000 and 2009, it received on average 93.5% of the amount budgeted for it. In comparison, the EMC – historically under NRM control – averaged only 90% over the same period.

The evidence discussed above provides some, albeit limited, evidence to support claims that Kampala is starved of resources. Analysis of conditional and unconditional grants and budget performance does not reveal a clear pattern of fiscal bias against the KCC. There is the issue of whether Kampala as the capital city required significantly more resources from the centre than currently allocated to the city under the various formulas used to determine the amount of central-government transfers to local governments (see Gore and Muwanga, 2013: 8 on this point). The politics of this is discussed further below.

13. Similarly, Barkan (2011: 12) attributes the passage of a supplemental budget only halfway through the 2010–11 FY to the high costs of the 2011 NRM political campaigns, including large cash payouts to voters.

14. Data on budget performance of central-government releases obtained from LGFC and covering FY 2000–1 to 2008–9, excluding FY 2003–4.
5.2 Local-government financing: tax policy

The politicisation of tax policy has significantly reduced the revenue options of local governments. Politically advantageous decisions made by the President have dire fiscal consequences for local governments, especially urban councils. For example, during the 2001 presidential campaigns, President Museveni first promised to lower the graduated tax (g-tax) to Ush 3,000 and then to eliminate it altogether in an effort to attract voter support. In fulfilment of his promise, the tax was eliminated in 2004, but between 2001 and 2004 councils faced serious difficulty in collecting the tax since the President politicised it in his re-election campaign.

The elimination of the g-tax had particularly negative consequences for urban councils. Urban councils must rely on local revenue to fund garbage collection and solid waste disposal, which generally falls far short of what is needed to finance these activities. The elimination of the g-tax exacerbates this problem.

The amendment to the law governing property taxes was similarly politically motivated and disproportionately affected urban councils. During the 2006 presidential campaigns, President Museveni criticised the property rates in the country and pledged to exempt owner-occupied residences from property taxes. The President’s pledge seemed intended to win votes among middle- and lower-class voters in Kampala and other urban areas. He reportedly stated that the tax should ‘target only rich landlords with apartments and offices they let out’. Local councils continue to collect property tax for rental and commercial properties, but in many areas owner-occupied properties comprise the bulk of the properties. This change seriously eroded a critical base of local revenue for urban councils.

The KCC has certainly been adversely affected by the NRM’s tax policies. Museveni’s promise to eliminate the tax on owner-occupied residences resulted in significant reduction in the payment of property taxes to the KCC even before the changes were enacted into law. The elimination of the g-tax also had serious consequences for the KCC, one of the few councils in the country in which local revenue comprised over 25% of its annual budget. Although the central government provided compensation for the lost revenue and introduced new local taxes, these revenues rarely compensate truly for the revenue lost with the elimination of the g-tax. In 2004–5, the compensation Kampala received was only Ush 500 m. (UDN, 2006: 30), just under a tenth of the revenue it previously brought in annually with the g-tax. While statistics are not readily available, the reduction in local revenue in Kampala certainly has negative consequences for service delivery. A NGO representative noted that many of the city’s services came to an end or were severely reduced following the elimination of the g-tax, including efforts to desilt channels, collect garbage, and fumigate (anonymous interview with NGO representative, May 2011).

Several respondents argued that the constraint facing the KCC has less to do with insufficient resources, but instead results from the poor utilisation of resources. Numerous interview respondents argued that corruption and poor choices about the allocation of

15. ‘Museveni Endorsed Property Tax-Ssebaana’, New Vision, 29 December 2005.
16. ‘KCC Revenue Drops over Dues’, New Vision, 16 March 2006.
resources constitute a more serious constraint on KCC service delivery than insufficient funds. For example, a former town clerk for the KCC described the tendency of its politicians to prioritise meetings with costly allowances and sitting fees for committee members over other expenditures with more direct impacts on service delivery (anonymous interview with former KCC official, June 2011). As discussed below, it is not clear how, if at all, the institutional restructuring will alter such practices.

6 Political interference

Beyond manipulation of financing, Ugandan national elites at times interfere directly in the affairs of local governments. In fact, political interference is a critical way in which Museveni’s government undermines their performance (Lambright, 2011). Few councils are immune to such interference. National-level politicians or NRM officials regularly get involved in struggles for/against the creation of a new local council or interfere directly in the primary and general elections for local offices. Areas that receive large amounts of patronage from the centre but offer relatively low levels of political support are particularly vulnerable (ibid.). This imbalance creates a politically precarious situation and increases the opportunities for central-government officials to influence local-government decision-making.

We might expect that Kampala would be less vulnerable to political interference, given its historic political opposition to the NRM and the low levels of patronage likely to be flowing to the KCC. Yet the commercial and strategic importance of Kampala induces a variety of actors to get involved. For example, the value of real estate and commercial opportunities in the city partially explains the various land-grabbing scandals discussed below, in which a number of central-government officials are implicated.

My research revealed numerous instances in which NRM officials intervened directly in the KCC’s affairs. For example, in June 2004, President Museveni stopped the KCC from levying a Ush 10,000 a month tax on boda bodas (Biryabarema, 2004). To many political observers the President’s claim that the tax was illegal was a thinly veiled justification for a politically expedient decision. News reports immediately following Museveni’s directive to stop the tax noted the political importance of the boda boda drivers. They reportedly campaigned for Museveni in the 1996 and 2001 elections and he would reportedly ‘abandon his convoy’ to ride a boda boda on occasion (ibid.). Goodfellow and Titeca (2012: 14) argue that Museveni’s actions in 2004 and similar actions to protect boda boda drivers against KCC efforts to tax or regulate the industry were motivated by a desire to maintain some political support in the opposition-dominated urban areas and also a recognition that boda boda operators have considerable political influence and constitute a sizable voting bloc.17 The President’s support for the boda boda drivers continues to undermine recent efforts by city officials to regulate the sector, including efforts by the newly formed KCCA, discussed below.

17 President Museveni’s support for boda bodas persists, including a donation of Ush 500 m. in June 2011 to fulfil a pledge he made at the official launch of a newly formed association for boda boda drivers, and another Ush100 m. recently (Nangonzi and Lubwama, 2013).
6.1 Political interference: land

Central-government officials also significantly influence land use in Kampala, often in ways that work against the interests of urban residents. The development and conversion of wetlands offer one such example. Frank Muramuzi, the Executive Director of the National Association of Professional Environmentalists (NAPE), argued that ‘Degradation of wetlands is by the government itself; it is either [by people who] are working for government, a project supported by government or government officials involved in wetland degradation like construction of factories’ (Miti et al., 2010).

For example, the central government allocated land in Lubigi wetland to the National Water and Sewage Corporation (NWSC) for the construction of a new sewage treatment plant. The new plant and accompanying sewer lines, commissioned by President Museveni in March 2014, were to increase sewage coverage and improve sanitation in parts of Kampala. Yet, the government’s decision to construct the plant in the wetland complicated the KCC’s efforts to control illegal occupation and construction in the area. Shortly after construction began in May 2011, thousands of people, calling themselves the Uganda Patriotic Volunteers Association, illegally invaded the wetland and in a matter of three days removed all the papyrus and constructed market stalls (Byaruhanga, 2011). According to one NGO representative, the people who invaded the wetland ‘saw NWSC’s construction as opening a door’ (anonymous interview with NGO representative in Kampala, May 2011). One encroacher made this claim directly: ‘If government is setting up a sewage plant, why can’t we set up a market?’ (Njogore, 2011). The conversion and degradation of wetlands in Kampala have broad environmental impacts on the city, as wetlands serve to remove waste and pollutants naturally from residential and industrial wastewater. The development also disproportionately affects Kampala’s poorest residents as many of the city’s slums, such as Bwaise, suffer increased flooding with the removal of nearby wetlands (see, for example, Mugerwa, 2012).

Similarly, President Museveni, in a letter to the town clerk, Ruth Kijjambu, told the KCC to offer the land on which its mechanical workshop was located, Plot 12 and 14 6th Street, Industrial Area, to the Picfare company (Nakaayi et al., 2009). The plot, located close to the city centre, comprises valuable real estate, but was described by the President in his letter as ‘unutilised’ by the KCC (ibid.). In exchange, the KCC received a plot of land in the north-western suburb; where it could relocate the mechanical workshop. Council vehicles in need of service must now travel to Kawempe, approximately 5 miles from the city centre, a trip that takes well over an hour in traffic.

Central-government officials have also been linked to the sale of other council properties, including the controversial sale of the official residences of the mayor and town clerk. President Museveni has been linked to the sale of the town clerk’s residence to Mayor Sebaggala,18 while the former Minister of Local Government, Maj. Gen. Kahinda Otafire, reportedly ordered the KCC to give the mayor’s residence to Gen. David Tinyefuza, the former co-ordinator for Uganda’s intelligence services.19 The loss of these

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18. In fighting his eviction in June 2011, Sebaggala claimed that President Museveni personally approved his possession of the house. See ‘Sebaggala Evicted from TC Residence’, New Vision, 24 June 2011.
19. ‘KCC to Evict Tinyefuza from Mayor’s Residence’, New Vision, 18 October 2009.
properties and the council’s subsequent efforts to recover them have wasted scarce resources that could have been used to deliver services. For example, the KCC reportedly continued to pay Sebaggala a sizeable housing allowance even after he occupied the council-owned property intended for the town clerk. The council has been forced to expend considerable manhours and resources to recover these properties legally and physically. The current city administrator, Jennifer Musisi, had to send council security agents, accompanied by 80 police officers, to evict Sebaggala personally from the residence following a three-day stand-off.\(^{20}\)

Finally, NRM officials, including the Minister of Local Government and President Museveni, have also intervened and reversed council decisions about development projects and the management of local markets in Kampala. The precise impact of these actions on Kampala’s urban poor is unclear, but they have not been without costs and often seem motivated by politics rather than improved service delivery, although improved services is a common justification for such actions. The ongoing controversy surrounding the terminated contracts the KCC signed with local business tycoon and prominent NRM supporter, Hassan Basajjabalaba, to develop and manage several of Kampala’s largest markets and Constitution Square, an open space in the city targeted for commercial development, provides an important example.

Specifically, Basajjabalaba contracted with the KCC in 2000 to develop Constitution Square into a shopping mall. According to Basajjabalaba, almost immediately the development stalled due to government interference, and the deal was ultimately terminated by the Minister of Local Government and President Museveni in 2004 (Lumu, 2011). Basajjabalaba also signed contracts with the KCC to lease and manage several prominent markets in the city, including Owino, Nakasero, and Shauriyako markets, but these contracts were also later withdrawn or terminated early.\(^{21}\)

It is hard to discern the motivations of central-government leaders to intervene in land deals in the city. At times these officials appear to be acting to further their own interests or those of close political allies, while at other times their intervention in Kampala’s affairs could reflect genuine efforts to protect the interests of urban poor. For example, there have been numerous allegations of corruption in many of the KCC’s real-estate transactions, including allegations that revenue from some sales was never recovered and that the KCC sold real estate it was barred from selling. NRM officials justified their termination of these transactions as a way to reduce corruption and protect the interests of city residents. As noted with Museveni’s interference in regulation of the *boda bodas*, his interventions in the KCC’s market deals were likely motivated by a desire to gain political support from this key urban constituency (Goodfellow and Titeca, 2012: 11). His actions in response to appeals from vendors in Nakawa Market had clear political payoffs, as the vendors became important campaigners for the President (ibid.).

On the other hand, central-government interference has not eliminated waste. Basajjabalaba’s connections with top brass of the NRM prompt speculation that he has been able to get contracts through political channels. Basajjabalaba demanded

\(^{20}\) ‘Sebaggala Evicted’, http://oneuganda.com/?p=1348.

\(^{21}\) For example, in 2007 the KCC awarded Basajjabalaba a five-year lease to redevelop Nakasero Market, a decision opposed by the market vendors. President Museveni later ordered that the market should be given to the vendors for redevelopment (Musoke and Osike, 2007).
compensation for the revenue he lost as a result of the breach of these various contracts and received Ush 142 billion (US$61 m.) in compensation.22 Numerous witnesses, including former Minister of Finance, Syda Bbumba, have testified that President Museveni instructed them to push through the compensation for Basajjabalaba.23 The Office of the Auditor General conducted an audit and determined that there was no basis for the compensation, and the compensation payment was overturned. Basajjabalaba was subsequently arrested and charged with tax evasion and forgery of the documents related to the payment (Jeanne, 2013). The compensation process was seen as ‘marred with irregularities’ and two ministers, former Minister of Finance, Syda Bbumba, and former Attorney General, Khiddu Makubuya, lost their posts based on their perceived roles in the payment (Musoke, 2013).

Basajjabalaba’s property-development plans may not have had the best interests of Kampala’s urban poor in mind and concerns about his acquisition of the various contracts prompted the investigation into his compensation. For example, his redevelopment plans for Nakasero market included evicting large numbers of market vendors, which prompted the vendors to appeal to President Museveni to stop the plans. Yet the central government’s interference in Kampala’s affairs has not eliminated such problems and, although the sizeable payment to Basajjabalaba was overturned, the deal may still result in considerable financial losses, given the costs of the investigation and court case. Nevertheless, Goodfellow and Titeca argue that the President’s interference in KCC policies may help the urban poor because his actions ‘facilitate the survival of informal livelihoods in situations when they are being threatened by state policies and regulations’ (Goodfellow and Titeca, 2012: 10).

6.2 Political interference: KCCA

The central government’s ability to intervene in the affairs of Kampala’s city government has been enhanced following a recent institutional transformation of the city’s governance structures. In 2009, Parliament passed the Kampala Capital City Act, which eliminates the City Council and instead creates a corporate authority, the Kampala Capital City Authority (KCCA), to govern the city. The Act sought to ‘moderate’ the powers of locally elected politicians and in essence it strips them of the authority they previously held. The mayor, termed Lord Mayor, is ceremonial rather than the executive head of the city administration, while the law also eliminates the executive committee. Executive power is now vested in an Executive Director (ED) directly appointed by and accountable to the President. The ED serves as the head of the public service, head of the administration, and the accounting officer for the authority (Uganda Government, 2011: 18–19). The Act also created a new ministerial position, Minister of Kampala, with the authority to veto or rescind decisions and actions of the new KCCA, as well as give directives to the authority that it must follow (ibid.: 52–3). Kampala’s first ED, Jennifer Musisi, took office in April 2011.

22. Museveni stated, however, that Basajjabalaba received Ush 169 bn, not 142 bn, as reported in a recent parliamentary report (Giles Muhame, ‘M7 Orders Tycoon Bassaja Arrest Over Shs169bn Plunder’, 21 December 2011. www.chimpreports.com).

23. President Museveni admits instructing government officials to compensate the businessman, but strongly denies approving such a large sum (ibid.).
On the face of it, the reform is intended to improve service delivery in Kampala. Yet the motivation for the reform and the timing of its passage can certainly be linked to partisan struggles. For example, there is concern within government that poor service delivery contributes to discontent among urban residents and in turn provides growing support for the political opposition (interview with Commissioner, MoLG, May 2011). Thus, the restructuring and recentralisation of Kampala were intended to improve service delivery and, it was hoped, reduce public support for the opposition.

According to some observers, centralised control over Kampala would also allow the NRM to increase the flow of resources to the city to the level necessary to improve service delivery, which the central government was unwilling to provide to an opposition-headed city council. One respondent argued:

Just like all local governments, they are inadequately funded. But when it comes to Kampala, the capital city, it needed a special grant, but it wasn’t forthcoming. [Why?] Because if it does, it [the NRM government] would be giving credit to the opposition. So to do it, it had to create a new act when it has the upper hand. Now it will bring the money. (Anonymous interview with former KCC official, June 2011)

With the implementation of the reforms to create the KCCA, the central government takes over responsibility for tasks that were previously the responsibility of the KCC, such as road construction and maintenance – an admission that local financing was inadequate to accomplish these tasks. In 2011, the KCC received Ush 15 bn for road construction and maintenance. In the proposed budget for the KCCA for 2011–12, the city was projected to receive nearly three times that amount, Ush 43 bn, for road repairs and construction.

Comments made by some observers of the institutional change suggest that the central government was motivated less by concerns about the quality of service delivery and more by a desire to have direct influence over council decisions. For example, one KCC official argued that:

The NRM thought ‘If we don’t take the political leadership then we need to reduce the powers of the political leadership so we can do what we feel like.’ People in this institution [KCC] were not complying with instructions from the top [i.e. the central government]…Now they [the central government] can push it in the direction they want it to go. (Anonymous interview with KCC official, Finance and Planning department, May 2011)

Given the reported involvement of prominent NRM officials in real-estate development projects in Kampala and the extensive ‘interconnection of business and politics’ in Uganda today (Barkan, 2011: 10), the City Council’s authority over policies that govern land use, real-estate development, and other lucrative economic activities, such as...
taxi parks, in Kampala could be an important factor that motivated the NRM government to take control over the governance of the city.

Many observers of Kampala politics remain sceptical about what the KCCA can achieve in terms of service delivery. One KCC administrator expressed doubts that the reforms could deliver real change and that the KCCA would be any less corrupt or inefficient than the KCC. The administrator argued:

The reforms are not being built on a new foundation, but being built on the existing foundation. It’s not like a vehicle where you can put in an entirely new engine and the vehicle runs. That’s not the situation here…Will the people you are bringing in be different? It’s not a fundamental change. (anonymous interview with KCC official, Finance and Planning department, May 2011)

Nevertheless, ED Musisi was credited with several accomplishments in the first few months after she took office. Upon taking over, Musisi prioritised improvements in solid waste management, road repairs, security and planning. For example, the KCCA established a six-month timeframe to eradicate silt in the Nakivubo Channel (interview with KCCA official, Communications department, June 2011), necessary to reduce flooding in Kampala’s low-lying areas, including many of the city’s slums. An anti-litter crackdown resulted in the arrest of 28 people during the first two weeks of the campaign (Mwanje and Ndagire, 2012). The KCCA also reportedly increased garbage collection by 76%, demolished 15 ‘major structures’ and hundreds of other illegal structures and kiosks, and redeveloped or constructed new markets and city toilets. The crackdown on illegal kiosks was part of a larger effort to restore trade in the city. Shortly after taking office in June 2011, the KCCA issued a directive for hawkers and illegal street vendors to leave the city. The traders had three months to leave the city or relocate to one of 8000 spaces identified in 69 markets across the city (Bwambale and Waiswa, 2011).

As noted, ED Musisi also reclaimed high-profile properties, challenging important political insiders in the process. On 27 June 2011, she evicted former Mayor Sebaggala from the town clerk’s residence. She also successfully reclaimed the mayor’s official residence from the intelligence services, despite receiving personal threats from the Coordinator for Intelligence Services, Gen. David Tinyefuza, should she try to evict him.

The impact of such activities on Kampala’s urban poor are likely mixed. Eradicating corruption and targeting more of the city’s resources on service delivery could benefit city residents, rich and poor alike. As some of the KCC officials feared, however, it is not clear that replacing the KCC with the KCCA will eliminate corruption and rationalise municipal expenditures. Allegations of corruption within the KCCA have surfaced as have concerns about the large salaries of the ED and other KCCA staff. Efforts to improve solid waste management and clean the various channels, including Nakivubo channel, will certainly have a direct and positive impact on life in Kampala’s slums through reduced flooding and related risks to public health. The prohibitions against and crackdowns on illegal street

25. ‘Ms Musisi Takes the Impala by the Horn!’, East African Business Week, 9 October 2011.
26. The KCCA received funding from donors to construct 6 new markets in the city suburbs that could house some of the relocated vendors (Bwambale and Waiswa, 2011).
27. ‘Jennifer Musisi’s First 5 Months in Office’. New Vision. 25 September 2011.
vendors, hawkers, and boda bodas will also directly affect the urban poor who depend on these activities for their livelihoods. Only half of the city’s estimated 8,500 illegal vendors reportedly took the city up on its offer to relocate, however. Vendors who choose to try their luck on the streets complain that market spaces offered by the KCCA are far from the city centre where their customers are located, while some vendors who faced eviction at the hands of KCCA staff in September 2011 claim that they faced extortion from the KCCA officials during their eviction.

There is also evidence that the central government’s relationship with Kampala city administration has not changed with the institutional restructuring. Despite expectations to the contrary, the restructuring has also not created a windfall of resources for the city. The central government actually reduced the budget for the KCCA from Ush 226 bn to only Ush 101 bn for financial year 2011–12, resulting in a funding gap of Ush 61 bn. In October 2013, the KCCA opened a new commuter taxi park funded with local revenue because the ‘central government failed to provide cash support’ (Mukisa, 2013).

Partisan differences may have motivated the recentralisation of Kampala, but central-government interference continues, despite changing the partisan control of the city. The KCCA recently began a boda boda registration exercise. Like previous efforts by the KCC to regulate the industry, central-government officials – most prominently, the Inspector General of Police, Kale Kayihura – challenged KCCA actions and sought to get the registration put on hold (Lumu and Nangonzi, 2013).

Moreover, the transition to the KCCA has been anything but smooth. Almost immediately a power struggle emerged between the mayor, Erias Lukwago, and the ED, with negative impacts on service delivery. This is spectacularly evident in the on-going struggle to remove Mayor Lukwago from office. In May 2013, 17 councillors petitioned the Minister in charge of Kampala, Frank Tumwebaze, seeking the removal of Lukwago from office on allegations of misconduct or misbehaviour, abuse of office, and incompetence. The tribunal formed by Minister Tumwebaze to investigate the allegations concluded that all three charges were ‘proved and a prima facie case for removal of the Lord Mayor from office was established’ (Uganda Government, 2013: 23). On 25 November 2013, the city council voted overwhelmingly to impeach the mayor. The future of the institution remains uncertain, however. On 30 March 2014, a high court ruling reinstated Lukwago, but the government stayed the court’s ruling on 1 April, in an effort to uphold Lukwago’s impeachment. Uganda’s Supreme Court heard arguments in the case on 24 April and is expected to rule soon.

7 Donor reactions and implications for decentralisation

A key question is how donors will react to such partisan struggles within Kampala. Kampala city government benefits from donor support in several ways. First, donor budget support facilitates central-government transfers to local governments in Uganda, including Kampala. Kampala also benefits from a number of donor-funded projects targeted to

28. Savio Kyambadde. ‘Paying the Price of Sanity’. Kampala Dispatch: Uganda’s Monthly News, 19 March 2012. http://dispatch.ug/paying-the-price-of-sanity/3763/
29. Ibid.
30. ‘KCCA Officials Sigh as Govt. Okays Salaries, Pays Arrears’. The Monitor, 23 September 2011.
address particular issues related to urbanisation. For example, the World Bank funds the Kampala Institutional and Infrastructural Development Project (KIIDP). The project, which began in 2007, provides US $33.6 m. to the KCC in order to ‘restructure its administration and management, liberalise service delivery, institute financial and fiscal reform, and improve the organisation’s image and public relations’. 31 ‘There is no indication that the World Bank plans to end the project early in response to the recentralisation and the creation of the KCCA to replace the KCC. In fact, project documents reveal that the closing date of the project was extended through the end of 2012 after the restructuring occurred from the original closing date of 31 December 2010 and that only $9.6 m. has been disbursed so far with over US $24 m. remaining. 32

It is not surprising that donors with an interest in improving the quality of life for Uganda’s urban poor would continue to pursue projects with the KCCA. The challenges of urbanisation and urban poverty persist despite restructuring. The Kampala Integrated Environmental Management Project, co-funded by the Belgian government and the KCC, was similarly extended after the transition to the KCCA was under way. 33 More recently, WaterAid’s 2011–16 strategy highlights the goal of working with the KCCA to improve water and sanitation for the urban poor in the city. 34

Uganda’s ‘[d]ecentralisation programme is now dead in [Kampala]’ (Gore and Muwanga, 2013: 3). The centralisation of control over Kampala is part of a larger trend away from decentralisation in Uganda. Donors are concerned about the ongoing recentralisation in the country (see Klaver and Tibamwenda, 2009: 10). Barkan put it bluntly, stating that the ‘lovefest between the donors and Museveni is largely over’ (2011: 11). He attributes declining donor enthusiasm for Uganda to rising corruption, ‘inflationary patronage’, and resulting declines in social-service provision (ibid.: 12).

Nevertheless, donors have limited influence to reverse or stop government policies that erode decentralisation and undermine service delivery. For example, donors have long been concerned about the negative effects of the government’s ongoing creation of districts (Green, 2010; Namutebi, 2007; World Bank, 2010), but have been unable to stop the process. Donors have also expressed concern about the service-delivery effects of the NRM’s other centralising trends, such as the erosion of the local revenue base and the shift to appointing local administrators at the national level (World Bank, 2010).

It is not yet clear what donor reactions to the recentralisation will be going forward. Despite efforts to increase domestic revenue mobilisation, Uganda remains aid-dependent. 35 Donors have willingly cut aid to the country in response to other government actions, however. For example, in 2010, a group of eleven donors jointly agreed to reduce or reprogramme their budget support to Uganda as a result of the government’s ‘failure to take

31. http://web.worldbank.org/WBSITE/EXTERNAL/PROJECTS/0,,contentMDK:21538958~menuPK:51351221~pagePK:431367~piPK:279616~theSitePK:40941,00.html
32. Ibid.
33. KIEMP focused on improving the capacity of the city government and local communities for environmental management and also improving quality of life in three parishes in the city through better environmental planning and management (interview, May 2011).
34. http://www.wateraid.org/documents/plugin_documents/uganda_1.pdf
35. In 2009, aid financed 26% of Uganda’s budget, making the country the 6th largest recipient of aid in Africa (Nyanzi, 2011).
action against several high-level corruption cases’ (Juuko, 2010). 36 ED Musisi reportedly warned councillors recently that some donors were threatening to stop funding KCCA projects as a result of mismanagement (Mwanje, 2011). Cuts in aid will certainly have an impact on service delivery across Uganda.

Any response of donors is unlikely to be coordinated, however. Donor co-ordination constitutes a key challenge to foreign aid across the continent (Easterly, 2008; van de Walle, 2001) and in support of Uganda’s decentralisation reforms specifically (Klaver and Tibamwenda, 2009). Yet donors have shifted away from funding the Local Government Sector Investment Plan (LGSIP): previously five donors contributed funding to the programme, but donor funding stopped in 2010 and the MoLG saw its funding shrink as well (ibid.: 2; anonymous interview with LGFC official, January 2012). Officially, donors reported that they were asked to focus on other sectors by the central government (Klaver and Tibamwenda, 2009: 10). Unofficially, donor funding of the programme ended because donors were unsure about the government’s commitment to decentralisation, given recent rollbacks, and dissatisfied with the results of the LGSIP (Klaver and Tibamwenda, 2009; anonymous interview with LGFC official, January 2012). What seems clear, however, is that donor actions could reinforce trends within the government away from decentralisation. There are concerns that, beyond the obvious recentralising reforms discussed above, the current focus on sector-budget support and sector-wide approaches by the government and donor efforts to work within this new strategy will further centralise service delivery and development efforts in the country, pushing Uganda further away from decentralisation.

8 Conclusion

The article has documented the various ways in which political struggles undermine service delivery in local councils throughout Uganda, especially in Kampala. While political opposition does not fully explain the poor performance of the KCC, opposition control of the city council probably motivated the NRM government’s takeover of the city with the creation of the KCCA. The central government’s decision to eliminate the KCC and exert its authority over governance in the capital can be linked to politics in a number of ways, including a stated desire on the part of the NRM to strengthen its electoral support among voters in Kampala through visible improvements in service delivery. The takeover could also reflect NRM efforts to exert greater control over important decisions in the city that affect the business dealings of prominent NRM politicians.

The outcome of the reform, as yet, is unclear. There are reasons for both optimism and pessimism in assessing the impact this reform will have on Kampala’s urban poor. The article has noted concerns about the general decline in the quality of service delivery and stalled poverty reduction in Uganda. Given the political factors that contribute to these trends, it will prove difficult to reverse them and improve service delivery without political reforms. Yet the costs of improved governance may be quite high relative to the expected

36. In 2011, the Dutch government cut its €14 m. budget support for Uganda’s education sector, in place since the Universal Primary Education (UPE) programme began in 1997, ‘citing concerns about persistent corruption, poor public financial management, and poor standards’ (Ahimbisibwe, 2011).
benefits from the numerous opportunities to make money in real-estate and other activities provided by Kampala’s rapid urban growth. The political costs of improved governance are likely to be even greater in the current political climate in Uganda in which politics and business are increasingly intertwined. The institutional reform that established the KCCA is part of a larger recentralising trend, moving the country further away from decentralisation. Central-government actions in Kampala to date have not consistently benefited the city’s poorer residents. Yet electoral calculations seem to increase the political importance of the urban population for both the ruling and opposition parties, which could shape service delivery in positive ways going forward.

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