

Divided authority in Kampala, Uganda

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KEY FINDINGS

- Favouritism of government controlled councils is most distinct through interference in local politics rather than through funding mechanisms.
- The motivation of central government intervention in land deals is two-fold - their actions can be explicitly motivated by politics and self-interest or they could be genuine attempts to further the interests of the urban poor.
- The question of whether the reforms will actually improve service delivery is ambivalent. On the one hand it may be impossible to improve service delivery without political reform; on the other the cost of the reforms may be higher than justified by any actual improvements.

Political decentralization has been part of the democratic process in Uganda. As a result of this local councils might naturally end up being under the control of the opposition or the National Resistance Movement (NRM), which is currently in government. How the situation of vertically divided political authority affects urban service delivery by local governments is a pertinent question, especially since Uganda's decentralization policy grants local governments responsibility for local service provision in many critical policy areas, including health, water and sanitation, solid waste management, education, and roads. A comparison between the treatment received from the central government by the opposition controlled Kampala City Council (KCC) and a neighboring council Entebbe Municipal Council (EMC), which is NRM controlled, reveals a complicated political dynamic.

Financing services

The KCC regularly complains that it does not receive the funding necessary to provide adequate services to its electorate; Ugandan's capital city, Kampala. Some within the KCC have suggested that the lack of funding might be due to the national government's desire to make the opposition purposely look bad by depriving them of the necessary resources needed for the production of these services.

The idea that local councils run by the national opposition party receive fewer resources has become part of conventional wisdom in Uganda. At first glance this is not borne out by the data. In fact as the allocation formula for some government grants is based on population and level

of development, or the number of services already in place, KCC receives significantly higher releases than the EMC.

However, when looking at government releases per capita a different picture starts to arise. On average the EMC receives five times the per capita funds compared with the KCC. Furthermore the per capita transfer for health care development is twelve times higher to the EMC than it is to the KCC. However when comparing the EMC to other opposition cities, the difference is significantly less stark. It seems then that the fact that the KCC receives significantly less funds per capita than other city councils may be motivated with the wish to strengthen the NRM and not a direct result of attempts to diminish the status of the opposition party.



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Similarly, the politicization of tax policy, including elimination of, and restrictions on, the use of certain taxes has had a notable effect on local governments' revenue. For example, in 2004 President Museveni fulfilled an electoral promise and eliminated a progressive taxation in the form of the so-called graduated tax. Previously one this tax was one of city councils' most important own

revenue sources, the elimination of the tax had a negative effect on all councils, but particularly on urban councils, which do not receive central government funding for services such as solid waste management.

Urban councils were also disproportionately affected by changes to the law governing property taxes. The new law

meant that taxes could only be collected from rental or commercial properties, undermining a critical part of urban councils' revenue base as many urban properties are owner-occupied. However, as both the EMC and the KCC were affected by this change it is hard to view it as a partisan move.

Competition over political control?

Despite popular perception bias in funding mechanisms is not as prevalent as is often thought. Two instances of direct interference in local decisions have resulted in KCC losing political authority - interference in how land is used, and interference in the actual structure of the local government.

In Kampala, the central government has influenced land usage in a number of ways. For example, efforts by the KCC to control illegal construction in the wetland areas of Kampala were completely undermined by the building of a sewage plant in that area by the central government. Similarly, the KCC were forced to sell the land upon which their vehicle workshop sat to a private company.

The KCC has regularly been accused of corruption with regards to its real estate transactions; as such some of the central government's interference in these transactions could be justified as a way of reducing this corruption. However, central government interference has not eliminated such problems.. While the central government's intention may not have been to punish the KCC their actions may have just that effect.

A much more direct form of interference in local government occurred in 2009 when the Parliament passed the Kampala City Act, which replaced the KCC with a corporate authority, the Kampala Capital City Authority (KCCA). Executive power

within the KCCA is vested in an Executive Director directly appointed and accountable to the President, effectively stripping the power away from most locally elected politicians.

While this reform could be seen as an attempt to improve service delivery in the capital city, it can also be seen as partisan in nature. Simply, poor service delivery in Kampala is at least partly due to the insufficient funding of the KCC. The NRM, instead of increasing funding to the KCC, decided to create a new body designed to improve service delivery, simultaneously depriving the opposition of any credit of governing the city.

Partisan politics cannot be directly blamed for, and is not the only reason for, the poor performance of the KCC, however it can be seen as providing the motivation for the creation of the KCCA. The KCCA both enables the NRM to exert greater control over important decisions in the capital and allows them to take credit for any visible improvements in service delivery.



IMPLICATIONS

- Political reforms are necessary to reverse the general decline in the quality of service delivery.
- 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.

This Research brief is based on the WIDER Working Paper 2012/51 'Opposition Politics and Urban Service Delivery in Kampala, Uganda' by Gina M. S. Lambright.

