INTERNATIONAL UNIVERSITY OF EAST AFRICA
'Learning to Succeed'

FACULTY OF BUSINESS MANAGEMENT

END OF SEMESTER EXAMINATIONS - APRIL 2025

PROGRAMME: DPA
YEAR/SEM: YEAR 2/SEMESTER 2
COURSE CODE: DPA 2202
NAME: FUNDAMENTALS OF DECENTRALIZATION AND LOCAL GOVERNANCE
DATE:
TIME:

INSTRUCTIONS TO CANDIDATES:

SECTION A

SECTION A IS COMPULSORY-(40MARKS), CHOOSE AND ATTEMPT ONE CASE STUDY ONLY

Question 1:

Case study

Comparing Decentralisation and Federalism (Uganda and Somalia)

Uganda operates a unitary decentralised system, while Somalia follows a federal system of governance. Although both systems aim to promote local governance, they have key differences in structure, power distribution, and effectiveness.

Decentralisation in Uganda

Uganda's decentralised system allows local governments to make decisions but remains under the central government's authority. The President appoints key officials such as Resident District Commissioners (RDCs), who oversee local governments. Funding for local authorities comes mainly from the central government, limiting financial independence.

Federalism in Somalia

Somalia's federal system grants significant autonomy to federal member states, such as Puntland and Jubaland. Each state has its own government, budget, and security forces. Unlike Uganda, Somalia's federalism was adopted to address historical clan-based conflicts and promote self-governance in different regions.

Key Differences

1. Autonomy – Somalia's federal states have greater independence compared to Uganda's local governments, which remain largely controlled by the central government.

2. Political Structure – Uganda has a unitary system with local councils, while Somalia has federal states with their own constitutions and governance structures.

3. Revenue Generation – Somalia's federal states raise revenue independently, while Uganda's local governments rely heavily on central government transfers.

4. Conflict Resolution – Federalism in Somalia helps manage clan rivalries, while Uganda's decentralisation focuses on administrative efficiency rather than conflict management.

Questions

1. Compare and contrast Uganda's decentralisation system with Somalia's federalism in terms of autonomy and financial control. **(10marks)**

2. Explain the role of federalism in addressing conflicts in Somalia. **(10marks)**

3. Assess the advantages and disadvantages of decentralisation in Uganda.**(10marks)**

4. Discuss how political structures influence the effectiveness of local governance in both Uganda and Somalia. **(10marks)**

Question 2:

Case Study :

Challenges and Opportunities of Decentralisation in Uganda

Uganda adopted decentralisation in 1993 through the Local Government Act, aiming to improve service delivery, enhance democratic governance, and promote local economic development. The system empowers local governments to make decisions on planning, budgeting, and service provision. However, the effectiveness of decentralisation has been influenced by various factors, including political dynamics, financial constraints, and administrative capacity.

Challenges

1. Inadequate Funding – Local governments depend on central government transfers, which are often delayed and insufficient, limiting their ability to provide services.

2. Political Interference – Although decentralisation is meant to promote local autonomy, central government influence through appointed officials undermines decision-making at the local level.

3. Limited Human Resource Capacity – Many local government offices lack skilled personnel, which affects planning, financial management, and service delivery.

4. Corruption and Mismanagement – Cases of financial mismanagement and corruption in local governments weaken public trust and hinder development efforts.

5. Overlapping Roles – There is a lack of clear distinction between the responsibilities of elected leaders and technocrats, leading to conflicts and inefficiencies.

Opportunities

1. Enhanced Public Participation – Decentralisation has created avenues for citizens to engage in governance through local councils and participatory budgeting.

2. Improved Service Delivery – Despite challenges, some local governments have successfully delivered health, education, and infrastructure services.

3. Economic Development – Decentralisation has encouraged local initiatives such as revenue generation and community-based projects.

4. Political Stability – By bringing governance closer to the people, decentralisation has contributed to peacebuilding and political inclusivity in Uganda.

Questions

1. Discuss the main financial challenges affecting Uganda's decentralisation process and propose possible solutions. **(10marks)**

2. Explain how political interference has influenced local governance in Uganda's decentralisation system. **(10marks)**

3. Assess the impact of decentralisation on service delivery in Uganda's local governments. **(10marks)**

4. To what extent has decentralisation promoted economic development in Uganda? **(10marks)**

SECTION B

ATTEMPT THREE QUESTIONS ONLY FROM THIS SECTION-(60MARKS)

Question 1:

Assess the role of fiscal decentralization in promoting financial autonomy at the local government level. **(10marks)**

b) Critically analyze the impact of decentralization on public accountability and transparency. **(10marks)**

Question 2:

Discuss the impact of decentralization on citizen participation in decision-making. **(10marks)**

b) What are the key principles of effective decentralized governance? **(10marks)**

Question 3:

The Local Council System (LC) is a common leadership style that is well adopted in Uganda and appreciated by Citizens. The system is a clear demonstration of how decentralization works well for Uganda. We also understand that different countries have different structures in place that support the decentralization drive or policy. **(20marks)**

(a) Is the LC system applicable in both rural and urban areas?

(b) What is the role of LC's in Uganda?

(c) Why do the Citizens of Uganda trust the LC system?

(d) Mention some of the key duties carried out by LC's in Uganda.

Question 4:

The Government of Uganda has delegated some duties to agencies like UNRA (Uganda National Roads Authority), EC (Electoral Commission) NIRA (National Identification Registration Authority), KCCA (Kampala Capital City Authority.

a) Mention the duties that each of the agency above offers to the Country. **(10marks)**

b) Why does government delegate its services to agents, yet it has supreme authority and capacity to handle the same. **(10marks)**

Question 5:

Fiscal decentralization, Administrative decentralisation, Political decentralization The notable reforms operate largely under the administrative scope of decentralization. For example under privatisation reforms we have organisations that have replaced government services and are doing commendable jobs. In Uganda, the telecommunications system is supported by privatised companies Like (a) MTN (Multi Telecommunication Network) and (b) Airtel All citizens are largely benefiting from telecommunication services at community, local, national and global levels. **(20marks)**

a) Do a critical study and give an illustration how the communication system works

b) Give a similar illustration of how the mobile money system works

c) How does Central Government control the system

d) What advantages do you see in place given the existence of the telecommunication Companies.

Question 6:

Explain how decentralization can enhance democracy and political stability in a country. **(10marks)**

b) Discuss the role of decentralization in conflict resolution and peacebuilding. (**10marks)**

Question 7:

Explain the impact of decentralization on gender equality and social inclusion. **(10marks)**

b) Propose strategies to strengthen the effectiveness of decentralization in any country of your choice. **(10marks)**

Question 8:

With examples, explain how political interference affects the success of decentralized governance structures **(20marks)**

Question 9:

Discuss the challenges and opportunities of implementing e-governance in a decentralized system. **(20marks)**

Question 10:

Discuss the legal and constitutional basis of decentralization in Uganda. **(20marks)**

Question 11:

a) Compare and contrast the decentralization models and theories used in Uganda and another selected country. (**10marks)**

b) State the relevance of the above theories in decentralization and local governance. **(10marks)**

Question 12:

With examples, elucidate how the different types and forms of decentralization impact new public management/modern public administration **(20marks)**