
**THE IMPACT OF INDUSTRIALISATION ON THE SOCIO-ECONOMIC DEVELOPMENT IN
UGANDA: A CASE STUDY OF KATIKAMU DIVISION
LUWERO DISTRICT**

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ABSTRACT

The study was aimed at examining the impact of industrialization on the socio-economic development in Uganda. The study was based on three objectives namely to examine the impact of human capital on the growth of an industry, to determine the impact of revenue generated from industries on the social wellbeing of the society and to examine the relationship between industrialization and socio-economic development. An overall sample size of 169 participants was used in the investigation. 10 sub county executives and 18 division staff members were among them. sixty college students, 38 workers in the industry, 19 political figures, four division casual staff members, sixteen village chiefs, and four parish chiefs. The study used a design that was cross-sectional, employing questionnaires and interviewing techniques together with both quantitative and qualitative investigation methods. Purposive, cluster, and simple random sampling approaches were used to sample those who participated. The study discovered that human capital promotes teamwork behaviors, which provide superstar accomplishments, strategic planning, risk reduction, and the utilization of constructive potentials, greater productivity, and long-term sustained organizational advantage. The study also discovered a positive relationship between industrialization and socioeconomic development, concluding that industry revenue creates job possibilities, facilities funds that are allocated and stabilized, and social assets. The report also suggests that Katikamu Division establish an industrialization zone inside its sub counties and give protective gear to workers in businesses to safeguard and safeguard their personnel.

Key words: *industrialization, GDP and socio-economic development*

Background of the study

Industrialization has constantly increased levels of employment and output, which has resulted in unparalleled wealth growth. The industrial revolution has placed industrialization at the center of structural changes. Therefore, encouraging the industrial sector's prosperity may be essential for achieving a sustainable future. The relationship between the growth of manufacturing production, the growth of communities, and GDP has been extensively researched in the advancement literature (Lydia et al., 2023)

Numerous studies have been done on how industrialization affects socioeconomic development. Since 1870, every successful historical example of growth in the economy and catch-up has been able to expand and amass riches by making investments in their respective businesses (Akankwasa et al., 2022)

Neo-liberal institutions and industrial practices have become more prevalent as a result of conventional economic strategies. For instance, the Uganda Investment Code, 1991 (amended in 1994) established the Uganda Investment Authority (UIA) in 1991. As a result, Amin's 1977 foreign investment decree and the international investment (protection) statute of 1964 were both revoked. Uganda joined the Multilateral Investment Guarantee Agency (MIGA) of the World Bank and the International Centre for the Adjudication of Investment Disputes (ICSID) with one of the main goals of the recently passed investment law being to establish UIA as a one-stop center for the international investment regime. MIGA, a global organization that protects investors from non-commercial risk, is designed to protect (foreign) entrepreneurs in Uganda from the threat of armed conflict and civil unrest. It is also meant to function as an institutional insurance against the possible breach of contract, currency transfer problems and expropriation (Kiplagat Ngetich & Matanda Wepukhulu, 2017).

Problem statement

In order to increase growth, economic development should increase the production, distribution, and consumption of products and services. However, the socioeconomic progress of Ugandan villages has fallen short of expectations.

The government has launched an initiative in the Luwero district to transform the area into an industrial hub in an effort to advance the local economy and Luwero industries. However, this hasn't given economic growth the boost that was anticipated. As a result, the investigator wants to know how industrialization has affected Uganda's economic growth (Nelson & Christopher, 2022)

Specific objective

- 1. To examine the impact of human capital on the growth of an industry*
- 2. To determine the impact of revenue generated from industries on the social wellbeing of the society*
- 3. To examine the relationship between industrialization and socio-economic development.*

Research questions

- 1. What is the impact of human capital on the growth of an industry in Uganda?*
- 2. What is the impact of revenue generated from industries on the social wellbeing of the societies in Uganda?*
- 3. What is the relationship between industrialization and socio-economic development of communities in Uganda?*

Methodology

Research design.

A study design outlines the researcher's strategy for carrying out the investigation. Both quantitative as well as qualitative methods were utilized in the cross-sectional study format that the investigator employed. While qualitative methods were used to gather, present, evaluate, and analyze verbal data (descriptive), quantitative data—which was presented in the form of tables, figures, frequencies, and percentages—was interpreted and analyzed using quantitative methods. In particular, an across sectional survey approach was adopted since the study required quick, inexpensive data collection from a sizable number of participants in their natural environment.

Study population.

The study was conducted in katikamu division Luweero district local government. According to Polit and Hungler (1999: 37) population is an aggregate or totality of all the subjects or members that confirm to the set of specifications. In relation to this study, the population was katikamu division staff, casual work staff, students, parents, members, village leaders, parish leaders, industrial employees and sub county officials both political leaders and administrative.

Sample size

According to Lo Biondo-Wood and Haber 1998, Polit and Hungler (1999: 95), sampling is the process of choosing a segment of the population to represent the total population. Twenty division staff members, twenty elected officials, five division casual workers, thirty village leaders, five parish chiefs, ten sub county leaders, forty manufacturing employees, and seventy students in the Katikamu division made up the 200-respondent sample. The participants were adequate representation and were presumed to be knowledgeable about the subject.

Sample size and sampling techniques

Table 1 showing sample size and sample techniques

CATEGORY	SAMPLE SIZE	SAMPLE TECHNIQUE
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<i>sub county leaders</i>	<i>10</i>	<i>Purposive sampling</i>
<i>Division staff</i>	<i>20</i>	<i>Purposive sampling</i>
<i>Students</i>	<i>70</i>	<i>Simple random sampling</i>
<i>Industrial employees</i>	<i>40</i>	<i>Simple random sampling</i>
<i>Political heads</i>	<i>20</i>	<i>Cluster</i>
<i>Division casual staffs</i>	<i>5</i>	<i>Simple random sampling</i>
<i>Village leaders</i>	<i>30</i>	<i>Simple random sampling</i>
<i>Parish chiefs</i>	<i>5</i>	<i>Purposive sampling</i>
<i>Total</i>	<i>200</i>	

Data presentation and analysis techniques

Data collected was coded and tabulated. Data was majorly analyzed qualitatively by use of, frequencies and percentage (%) this was simplified by use of computer packages particularly SPSS (Nelson et al., 2022)

RESULTS

The impact of human capital on the growth of an industry

Table 1: Showing the impact of human capital on the growth of an industry.

<i>Human capital leads to: -</i>	<i>Strongly agree</i>		<i>Agree</i>		<i>Neither agreed nor disagree</i>		<i>disagree</i>		<i>Strongly disagree</i>	
	<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>	<i>F</i>	<i>%</i>	<i>f</i>	<i>%</i>	<i>f</i>	<i>%</i>
<i>Higher performance and sustainable continued advantage</i>	124	73	45	27						
<i>Reduced risks and capitalize on productive potentials</i>	83	49	54	32	15	9	17	10		
<i>Strategic planning</i>	157	93	12	7						
<i>Team work practices which results in superstar performance</i>	93	55	50	30			23	13	3	2

Source: primary source

Table 1 shows that 124 (73%) of the respondents strongly agreed that Human capital leads to higher performance and sustainable continued advantage and 45 (27%) agreed. When respondents asked on strategic planning their response was 157 (93%) strongly agreed and 12 (7%) agreed. However, when responses asked on reduced risks and capitalize on productive potentials 83 (49%) strongly agreed, 54 (32%) agreed, 15 (9%) were not sure and 17 (10%) disagreed.

The impact of revenue generated from industries on the social wellbeing of the society

Table 2 showing impact of revenue generated from industries on the social wellbeing of societies

Revenue generation from industries lead to :-	Strongly agree		Agree		Neither agreed nor disagree		disagree		Strongly disagree	
	f	%	f	%	F	%	f	%	f	%
Allocation and stabilization of funds.	56	33	47	28	41	24	5	3	20	12
Creation of social assets	143	85	26	15						
Provision of infrastructures	163	96	6	4						
Employment opportunities	98	58	49	29	3	2	12	7	7	4

Source: Primary Source

Table 2 shows that 163 (96%) strongly agreed that Revenue generation from industries lead to the provision of infrastructures, 6 (4%) agreed. 143 (85%) strongly agreed that Revenue generation from industries leads to creation of social assets and 26 (15%) agreed. However, when respondents were asked on revenue generation from industries lead to allocation and stabilization of funds 56 (33%) strongly agreed, 47 (28%) agreed, while 41 (24%) neither agreed nor disagreed and 5 (3%) disagreed and 20 (12%) strongly disagreed.

The study further found that 98 (58%) strongly agreed that revenue generation from industries lead to employment opportunities, 49 (29%) agreed, 12 (7%) disagreed, 7 (4%) strongly disagreed while 3 (2%) neither agreed nor disagreed.

Table 3: The relationship between industrialization and socio-economic

development.

		<i>industrialization</i>	<i>socio-economic development</i>
<i>industrialization</i>	<i>Pearson Correlation</i>	1	.606**
	<i>Sig. (2-tailed)</i>		.000
	<i>N</i>	199	199
<i>socio-economic development</i>	<i>Pearson Correlation</i>	.606**	1
	<i>Sig. (2-tailed)</i>	.000	
	<i>N</i>	199	199
**. Correlation is significant at the 0.01 level (2-tailed).			

The information in table 3 above illustrates the relationship between industrialization (an independent variable) and socio-economic development (a dependent variable). By employing bivariate means, it reveals that there is a connection between industrialization and socio-economic development of $(r) = 0.606$. The fact that the p-value is 0.000, which is less than 0.05 ($p < 0.05$), and the p-value is significant enough to lead to the conclusion that the two parameters may be slightly positively correlated.

Conclusions

According to the study's conclusions, men are employed more than women in all occupations, including those of division, subcounty, parish, and village chiefs and industrial workers. The majority of employees claimed that investing in human capital produces collaboration practices that produce superstar accomplishments, strategic planning that lowers risks and makes the most of creative potentials, greater productivity, and long-term organizational advantages.

The study also discovered that the impact of industry earnings on society's social well-being includes the development of jobs, facilities funding allocation and stabilization of the ankle and social assets.

Recommendations of the study

The study recommends that Katikamu division should create an industrialization zone within its sub counties. These zones will provide employment to the citizens of the division.

The study further recommends that workers in industries be provided with safety equipment's to safe guard and protect their employees.

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