

University of Alberta

**ALTERNATIVE THINKING ON GOVERNANCE:
A Critical Analysis of Structure and Uncertainty in Embedding Good
Governance at the Local Level in Tanzania**

By

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Dedication

This dissertation is dedicated to my parents, the late *Rev. Eliamini Mgonja* and *Mrs. Elizabeth Mgonja* who looked tirelessly after my life from when I was a little child up to this moment. Above all, a good guidance of Christian life, of which, together with their support enabled me to acquire my education; the best weapon to fight almost everything in this world.

Abstract

One of the most challenging questions that a political comparativist can grapple with in today's world is: *Why do some countries and their systems of governance fail while others succeed?* As a student of comparative politics, I have been grappling with a similar question for some time now: *What is wrong with development initiatives in Africa?* This is the major question motivating my research. In this dissertation, I apply a new institutional approach to an exploration and analysis of the fundamental institutional issues of the current local governance system in Tanzania. Specifically, this study investigates and reflects on the relationship between institutions and governance in local political settings and analyzes the impacts of institutional factors on good governance, particularly at the local level, in Tanzania. Of particular importance in this study is the precise analysis that I provide of contemporary governing practices in Tanzania since the inception of the Local Government Reform Program (LGRP) in 2000. This is used to compare current governing practices to the conceptions of how they were expected work after the end of the program in June 2008.

I used documentary research to identify fundamental issues in local governance in Tanzania. From this checklist, a selected few of the problems, ones that are common to all local government authorities (LGAs), were chosen as the foci of the research. Then, in order to explore the relationship between the selected problems and the institutional framework, a case study of four LGAs in Tanzania was employed.

I have argued in this dissertation that Tanzania's development outcomes (good governance and reduction of systemic poverty) are greatly influenced by the country's institutions of governance. However, my research findings show that the role of institutions that are deemed necessary for the achievement of local development goals and good governance in Tanzania has become severely simplified if not forgotten. Drawing on the discussions and findings of each chapter in this dissertation, I came to the conclusion that when the system of governance is malfunctioning, then something must be wrong with its institutional mechanisms. This is what I have described in this study as "alternative thinking on governance."

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CHAPTER ONE

INTRODUCTION AND BACKGROUND INFORMATION

1.1 Introduction and Statement of Purpose

One of the most challenging questions that a political comparativist can grapple with in today's world is: *Why do some countries and their systems of governance fail while others succeed?* (see also Wiarda, 1993, p. 16; 2005, p. 331). As a student of comparative politics, I have been grappling with a similar question for some time now: *What is wrong with development initiatives in Africa?* This is the major question motivating my research.

In this dissertation, I apply a new institutional approach to an exploration and analysis of the fundamental institutional issues of the current local governance system in Tanzania, through the use of case studies. Specifically, this study investigates and reflects on the relationship between institutions and governance in local political settings and analyzes the impacts of institutional factors on good governance, particularly at the local level, in Tanzania. I seek deliberately to focus on the local governance system because it is one of the most accessible levels of governance to citizens, especially when a researcher intends to do an impact assessment (discussed further in Chapter Seven). Stoker (2006) concurs when he argues that the purpose of local government is to deliver certain services and programs as well as to deliberate and decide on policy issues. Of particular importance in this study is the precise analysis that I provide of contemporary governing practices in Tanzania since the

inception of the Local Government Reform Program (LGRP) in 2000. This is used to compare current governing practices to the conceptions of how they were expected to work after the end of the program in June 2008.

As a “new approach” in comparative politics, new institutionalism has brought certain previously neglected issues into prominence, especially the idea that institutions and institutional arrangements—executives, bureaucracies, federalism, local government, and so forth—really do count for political outcomes (Wiarda & Skelley, 2007, p. 144). My dissertation is built upon this hypothesis. As Wiarda and Skelley (2007) have noted, in studying comparative politics, it is important not only to study formal institutions, but also informal aspects of policy making , and to weave both of these as well as other factors into a coherent, unified view of systems of governance.

Hence, the rationale of my study is not only to debate whether institutions do or do not matter, but also how actors or players work around their respective institutional frameworks for their own purposes, and how institutions succeed or fail in constraining this political behaviour. Drawing on insights from my fieldwork and a review of the literature, this dissertation proposes *alternative thinking on governance* that serves as a practical solution to the problems of governance in Tanzania and Sub-Saharan African (SSA) countries at large.

1.2 Background Information and Statement of the Problem

1.2.1 An Overview

In the 1980s, economic reforms in Africa and in other developing nations focused largely on stabilization and structural adjustment programs (SAPs). However, since the early 1990s, the promotion of “good governance” has become a more important focus for African development strategies, both in Africa and within the donor community. As noted by Hamdoki (2003), this ongoing emphasis on governance issues is an indication that the nature of *domestic institutions* matters for development outcomes. According to Hamdoki (2003), specific institutions of governance either allow or prevent the governance system from being efficient and/or effective, as these institutions can prevent or permit actors from doing what is in the best interests of the society concerned.

In general, *governance* encompasses the structures, rules, norms and practices related to policy- or decision-making processes (United Republic of Tanzania, 1999). From this perspective, governance is embodied in institutional arrangements, consultative mechanisms, policy-making processes and the nature of leadership in political systems (World Bank, 2002). More specifically, as Guy Peters has pointed out, “[A] governance approach forces the scholar of comparative politics to examine what governments do, and how they perform their functions” (2000, p. 36).

1.2.2 Research Inquiry

Since the early 1990s, the need for a strong, decentralized, local governance system in Africa has received increased attention, as many African states have found themselves subjected to external as well as internal democratic pressures (Tordoff and Young, 1994). This wave of decentralization reforms has been linked to political liberalization and democratization and has resulted in a growing emphasis on good governance, particularly at the local level (Mahwood, 1992; Olowu and Wunsch, 2004).

However, Olowu and Wunsch (2004) suggest that, in order for a country to achieve good local governance, local government authorities (LGAs) must meet certain basic requirements. They must be able to: (i) identify problems; (ii) set priorities; (iii) mobilize resources; (iv) implement programs; (v) evaluate results; (vi) learn from those results; and (vii) maintain popular legitimacy (p. 7). Similarly, Chale (n.d.) argues that the strength and effectiveness of local government institutions will depend on the following elements being in place: (i) adequate resources and the necessary authority to effectively perform the roles and functions that LGAs have been mandated to perform by the local people and by the central government; (ii) adequate qualified staff recruited and promoted exclusively on the basis of merit; (iii) the availability of necessary training and professionalism and the capacity to operate efficiently and effectively; (iv) the facilitation of the participation of the people in decision making on matters directly affecting their lives; and (v) the fostering of partnerships with other civic groups (para 5). I concur with these scholars; good local governance depends on

local governments' ability to *own* their development projects or programs, as well as their *efficiency* and *effectiveness* in meeting the economic, social and political needs of the society.

In Tanzania, the LGAs affect very closely all Tanzanian lives, because the LGAs are responsible for providing essential services in local areas. However, for some time now, the Tanzanian local governance system has failed to perform efficiently and effectively in meeting its intended objectives (Chaligha, 2004; Sasaoka, 2005). According to Ndulu and Mutalemwa (2002), the Tanzanian governance system is characterized by a weak institutional framework for restraining abuse and for rewarding good performance. Despite the existence of a number of watchdog institutions, such as the Minister of State in Charge of Good Governance, the Prevention and Combating of Corruption Bureau (PCCB), the Commission for Human Rights and Good Governance (CHRGG) and the Ethics Secretariat, corruption takes place frequently and government funds are often unlawfully and unwisely spent (Forum, 2008).

In response to this state of affairs, Tanzania embarked on a major decentralization project in 2000, through the introduction of the Local Government Reform Program (LGRP), with the objective of improving the quality of and access to public services provided through or facilitated by LGAs. This program aimed to transfer power, functions and decision making to the lower levels of governance by adhering to the principle of decentralization-by-devolution, or D-by-D (United Republic of Tanzania, 2002). D-by-D, a fundamental principle of the LGRP in Tanzania, involves the

distribution of authority and resources, to which all other principles of authority must be adjusted. According to this principle, taxing, spending, regulatory and other administrative functions should be exercised by lower levels of government—local government authorities (LGAs).

Given that the LGRP was promoted as a comprehensive package to strengthen and empower local institutions so that they could become institutions of good governance, the LGAs were in turn expected to implement the program as a means of realizing an efficient and effective local governance system. The first phase of the program, LGRP I, ended on 30 June 2008; as such, it is now appropriate to consider the impact that it has had on the performance of LGAs. The central questions are: What is new with the LGRP?; and: Were the problems facing LGAs addressed? These questions, among others, are discussed in Chapter Seven of this dissertation.

A survey of the current literature strongly suggests that the LGRP process was not implemented as effectively as anticipated. Unfortunately, as Olowu and Wunsch (2004) have observed, even when many elements of decentralization are present, improved governance does not always emerge. In their study of six LGAs, Braathen et al. (2005) argue that a number of policy and legal issues have hampered performance at the local government level. They observed considerable control by the central government over local government decision making through such mechanisms as the grant system. The same study found that LGAs still feel denied the power and authority necessary to determine not only their own priorities in areas of human resources, but also in terms of revenue generation.

On the other hand, Shivji and Peter (2000) have explored the issue of lack of trust between councillors (politicians) and local bureaucrats, and also between councillors and ordinary citizens. Moreover, Chaligha (2004) has observed that people at the grassroots level are often simply unaware of what is happening within their LGAs. Chaligha's survey indicates that about 53 per cent of local people interviewed said they had not heard about the LGRP or certain other programs within the LGAs. Furthermore, 68 per cent of those who *had* heard about the LGRP believed that the program would only benefit a minority of Tanzanians.

These studies and many others on decentralization and local governance in Tanzania have indicated that there is a frequent recurrence of the same problems over and over within the local governance system. And while these studies contribute to exploring the key problems facing the local governance system in Tanzania, most have not focused on the institutional aspect within which the local system operates. It seems unclear in many of these studies which analytical approach might be most useful in addressing local governance problems in Tanzania. To me, there are clear signs that the problematic political behaviour is embedded within the *institutional framework* of the local governance system itself. It thus struck me that there was a need for an analytical examination of institutional issues related to the local governance system in Tanzania.

1.3 Research Questions

This study is guided by the following overarching research question: *How does the institutional structure of the local governance system in Tanzania affect its efficiency*

and effectiveness? In exploring this question, the following questions will be also addressed:

- i) How do local institutions in Tanzania emerge and change over time?
- ii) How does the institutional framework of the local governance system affect good governance at the local level in Tanzania?
- iii) Has the system of governance in LGAs improved since the implementation of the LGRP?
- iv) How useful or significant is this study likely to be as a guide for good governance in Tanzania and in other Sub-Saharan African countries?

1.4 Significance of the Study

Although studies on local governance in developing countries are numerous, many of the research approaches in these studies have failed to recognize that the institutional structure or framework within which actors exist affects the interactions among actors, processes and performance. My dissertation addresses this significant shortcoming through an analysis of the effects of institutions on the local governance system in Tanzania. This study is guided by the proposition that an effective local institutional framework is vital for achieving sustainable good governance at the local level in Africa. In addition, this study is expected to further knowledge of good governance in Tanzania, particularly within the context of new institutionalism.

Moreover, this study attempts to make a contribution to the field of comparative politics, an analytical field which seeks to understand political institutions and

processes through both *diachronic* and *synchronic* perspectives. More specifically, this study addresses the central question in comparative politics: Why do some countries and their systems of governance fail while others succeed? In addition, the focus on governance and good governance in this study offers an important and interesting contribution to comparative politics by examining political behaviour and analyzing what happens to policy ideas and proposals within or among different political systems (see also Peters, 2000).

1.5 Layout of the Dissertation

This dissertation is organized as follows. Chapter Two provides the theoretical framework of the dissertation, in which different theoretical approaches to institutionalism are discussed, based on the assumptions that sustain the major ontological, epistemological and methodological debates within political science. That chapter provides the overall theoretical path used in my analysis of the local governance system in Tanzania.

Next, Chapter Three discusses theoretical and empirical analyses of governance and institutions in Tanzania. More specifically, it explores a historical overview of post-colonial institutions of governance in Tanzania, the genealogy of the concept of governance in its various meanings and a wide variety of governance initiatives in Tanzania. Chapter Four delineates the methodological approach employed in this study. It explores the area of study, research design, target population, sample and sampling procedures, data-collection methods, data analysis, limitations of the study

and ethical considerations. Next, Chapter Five provides a comprehensive analysis of the historical context of the local governance system, from the pre-colonial era onward.

Chapter Six provides an in-depth analysis of the impact of structural factors on good local governance in Tanzania. The data used in Chapter Six is gleaned from both my field research in Tanzania and review of the literature. Chapter Seven narrows the focus to a critical analysis of the Local Government Reform Program (LGRP). More specifically, that chapter discusses the institutional impacts of the LGRP on the performance of the LGAs. Similar to Chapter Six, Chapter Seven uses both primary data collected during my field research in Tanzania and secondary data from review of the literature. Finally, Chapter Eight summarizes the main findings and provides a general discussion and conclusion. The chapter brings together the issues discussed in previous chapters to come up with recommendations for further stewardship of good governance at the local level in Tanzania.

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CHAPTER TWO

INSTITUTIONAL ANALYSIS IN POLITICAL SCIENCE

2.1 Introduction

Political science is methodologically diverse. Among the commonly used approaches to the study of political science are the institutional, behavioural, rational choice, political culture, and political development methods. The distinctions between these approaches reveal various tendencies employed in the study of politics. The openness of the field to various theories and methodologies helps to maintain its vitality and its capacity to cope with realities in a rapidly changing social, economic and political world (Peters, 1998). Therefore, a political analyst not only needs to know political reality (ontology), but also how to begin to explain it (epistemology), before even addressing the particular problem being investigated (methodology).

Since the early 1980s, political science has witnessed two significant changes in scholarly focus. One such paradigmatic shift is the renewed interest in political institutions—new institutionalism—and the second one is the rapidly growing number of studies centred on the concept of *governance* at different analytical and institutional levels (Pierre, 1999).

In this study, I use a new institutional approach to analyze problems embodied in the local governance system in Tanzania. This study does not seek comprehensiveness in its coverage of new institutionalism in the social sciences, but focuses selectively on new institutionalism in political science. I have chosen the new institutional approach

not because it offers new answers to the traditional questions of politics (*who* gets *what*, *when* and *how*), but because it incorporates other contextual variables, outside of the traditional views of politics,¹ that matter for political outcomes.

More specifically, this chapter explores theoretical approaches to institutionalism based on the assumptions that sustain the major ontological, epistemological and methodological debates within political science. The chapter provides a conceptual framework within which the philosophical basis of new institutionalism will be applied in this study. As this approach underpins the analysis undertaken in this study, specific attention is paid to the contributions that new institutionalism makes to the study of the local governance system in Tanzania. I argue that a new institutional analysis is needed to understand the fundamental institutional problems of the local governance system in Tanzania. Such an analysis, I believe, will better describe the arena that is of direct relevance to the problem being examined, the context that frames and affects the arena, the behavioural patterns and the likely outcomes.

2.2 Institutionalism as a “Root of Political Science”

The study of political institutions has always been central to political science (Rhodes, 1997). According to Harold Eckstein, when political science emerged as a separate discipline of study, the major emphasis was the study of institutions as formal-legal arrangements (1963, pp. 10–11). More specifically, during the latter half of the 19th century and the two first decades of the 20th century, institutional approaches

¹ As Meyer and Rowans have pointed out, traditional perspectives on politics view institutions as objective structures that exist independently of human action. In contrast, the new institutionalism sees man-made rules and other informal procedures as the basic building blocks of institutions (2006, p. 6).

dominated political science in both Europe and America (Peters, 2005; Lowndes, 2002). As Eckstein has stated:

If there is any subject matter at all which political scientists can claim exclusively for their own, a subject matter that does not require acquisition of the analytical tools of sister-fields and that sustains their claim to autonomous existence, it is . . . formal–legal political structure. (1963, p. 11)

Prior to the 1950s, the traditional institutional analysts, what is now termed *old institutionalism*, studied formal government structures, state institutions, statutes and constitutions. At that time, institutions were material structures such as constitutions, laws, cabinets, parliaments, bureaucracies, courts, armies, and in some instances party systems (Lecours, 2005). A number of earlier political thinkers, such as Thomas Hobbes, John Locke and Charles Montesquieu identified and analyzed the success of these traditional institutions and their impact on society. Their central concern was on the nature of these institutions and their ability to structure the behaviour of individuals (both the governing and the governed) towards a common good (Peters, 2005, p. 3).

For instance, Thomas Hobbes argued that strong institutions were necessary to save humankind from its own worst instincts. John Locke, on the other hand, developed a more agreeable conception of public institutions that aspired to more democratic structures. Charles Montesquieu identified the need for balance in political structures and developed a political theory that became the foundations for the “separation of powers” doctrine (executive, legislative and judiciary), often used in contemporary law studies. The main concepts behind institutionalism were a concern for the central role of law in governing and institutional structure, and its role in determining human behaviour. As Rhodes (1997) has pointed out, the institutional approach, both initially

and to the present day, seeks to explain the relationship between structure and governance and the ways in which formal rules, procedures and formal organization succeed or fail in constraining political behaviour.

In the aftermath of the Great Depression, World War II, the beginning of the Cold War and the end of colonial rule, the classic institutional focus evolved from an analysis of formal constitutional elements into a broader conception. This institutional conception viewed institutions as the means to performing explicit functions that were necessary for society to survive (Blyth, 2005). Structural functionalism became the major theoretical innovation in political science at the time. One of the pioneering theorists of this approach was Gabriel Almond, who broadened the field of political science by integrating the approaches of other social sciences and incorporating the concept of *political culture*, a term now used widely in public discourse.

Almond's idea was to define a political systems approach that would take into account not only the structural components but also their functions within the system as a whole (Almond, 1956; 1997). Almond's use of the term *political culture* denotes that "every political system is embedded in a particular pattern of orientations to political action" (1956, p. 396). Chilcote also notes that the assumption was that "the state . . . could be assimilated in the concept of political system, together with institutions, including political parties, interest groups, communication media, family, school, church and so on" (2000, p. 58). Almond thus developed the idea that complete understanding of institutions emerges only when one begins to examine *how* institutions perform within the political process.

Although institutional thinking never disappeared in theoretical political science, it was marginalized from the 1950s to 1970s in favour of two theoretical approaches that came to be known as *behaviouralism* and *rational choice theory* (March and Olsen, 1984; 1989). This period in political science is often referred to as *non-institutionalism*, during which attention was directed away from political structure toward political behaviour.

Equally, behaviouralism and rational choice theory were based more on assumptions about individuals than a descriptive, formal–legal style of scholarship (Peters, 2005; Lecours, 2005; March & Olsen, 1984). These approaches assume that individuals act autonomously, and their choices are based on either socio-psychological characteristics or rational calculation of their personal utility (Peters, 2005). In such a scenario, political outcomes are determined primarily by individuals and their rational choices, choices which are determined exogenously, not by institutions, but by individuals' embeddedness in society (Kerremans, 1996).

Both behaviouralism and rational choice theory increasingly came to face a number of broad criticisms, including that they place undue emphasis on process at the expense of the content and substance of political events and systems. According to Sanders (2002), many scholars working with these approaches between the early 1950s and the mid 1970s were more concerned with an inductivist approach to research that accentuated the easily *measured*, rather than the *theoretically important*. These critiques came to prevail in the discipline and out of the ashes of behaviouralism and rational choice theory was devised an approach generally labelled *new institutionalism*,

which emphasizes how the structure and organization of political life make a difference for the outcome (March & Olsen, 1984; Peters, 2005). The details of this approach will be discussed in the next part of this chapter.

2.3 A Renewed Interest in Institutional Thinking: New Institutionalism

Since the early 1980s, institutional analysis has been gaining a new popularity within political science, economics and sociology. In these disciplines, institutional scholars refer to this revived focus as *new institutionalism*. James March and Johan Olsen were among early advocates of this movement. Their motivation was to move beyond traditional thinking about institutions and to develop a new approach that was neither focused on a complete return to the old institutionalism nor on ignoring the features of older institutional analysis. Goodin and Klingemann describe this new institutional thinking as “the next revolution” in the discipline of political science (1996, p. 25).

Unlike the old institutionalism of the 1920s and 1930s, in which the emphasis was exclusively on the formal aspects of decision making in a descriptive way, new institutionalism goes further to give the field of political science a “structural turn” (Lecours, 2005, p. 8), by focusing on the impact of institutions on actions and outcomes. New institutionalists see institutions and institutional arrangements as clusters of factors explaining changes in policy outcomes, state–society exchange processes, and government capabilities (Peters, 1996; Pierre, 1999).

The new institutionalism is more concerned with interactions among institutions and individuals, the informal conventions of political life and formal constitutions and organizational structures. The new institutionalists perceive institutions as formal (organizations) and informal (networks) structural features of society that shape a relationship among actors and have consequences for behaviour, shared values and social meanings among the members of an institution (Peters, 1999). New institutionalism emphasizes the importance of rules and traditions in decision-making processes. In this regard, the role of decision makers is to translate specific societal interests within the decision-making system into actions, and to act in accordance with the established societal rules and norms. Moreover, in new institutionalism, institutions are treated as independent political organizations embodying values and power relations that not only respond to external changes but also tend to dominate their environments (March & Olsen, 1989). Consequently, institutional structures are examined on the basis of what obstacles and opportunities they may create for political outcomes. New institutionalists study not just the impact of institutions on behaviour, but the interactions among individuals and between individuals and institutions (Lowndes, 2001). To new institutionalists, institutions are understood more broadly as a “stable recurring pattern of behaviour” (Goodin, 1996, p. 22).

2.4 Conceptual Framework

2.4.1 The Research Setting

Insofar as political systems in most African countries are concerned, clashes over the structure and process of politics—especially the *who* and *how* of politics—is very fundamental. In support, MacIntyre (2003) argues that the significance of institutions in developing countries is too often discounted, because the rule of law in many of these countries is weak, even extending to observations that some governments have tried to twist the judiciary in specific directions to suit their desires. In the spirit of this era of new institutionalism, therefore, my study explores the impact of institutional frameworks on the outcome. In particular, this study examines the role that institutions play in determining both individual behaviours and overall patterns of local development in Tanzania.

In this study, I agree with Mead's argument that there is an incredible need for institutional analysis, as the issues faced by governments at all levels tended, even 30 years ago, to stem increasingly from administrative structures (1979, p. 26). This connects my work to central questions for any institutional analyst: *How do actors in institutions behave? How do institutions affect the behaviour of individuals?* Finally, and explicitly from an historical perspective: *Why do the regularized patterns of behaviour associated with institutions display continuity over time?* (Hall & Taylor, 1996, p. 939). While these questions are central to any institutionalist, the third question remains most important as far as the local governance system in Tanzania is concerned. A good example of this importance, which will be analyzed in later

chapters, is the long-standing lack of trust between councillors (politicians) and local bureaucrats that has persisted over the years.

2.4.2 New Institutional Analysis and the Study of Local Government and Urban Politics

Concepts of the new institutionalism have, to some extent, been integrated into work by local governments and urban scholars over the last couple of years, at least in the Western academic milieu. A number of scholars have demonstrated how new institutionalism could be applied to research in particular areas of local government and urban studies. For instance, Lowndes (2001) has drawn on insights of the new institutionalism to discuss processes of institutional change and differentiation, the underlying shift from strong to weak forms of institutional constraint, and the challenges involved in redesigning local political institutions in England.

Moreover, Lowndes and Leach (2004) have applied the new institutionalism framework to explore the relationship between structure, context and agency in local political leadership in England, while Lowndes (2005) has used a new institutional approach to study reform and inertia in the English local governance system. Gonzalez and Healey (2005) have drawn on a sociological approach to new institutionalism to assess how the governance capacity for socially innovative action might emerge. Klok, Coenen and Denters (2006) have applied new institutional approaches to assess the contributions of local political leadership and community involvement to local governance in different countries.

Monro (2006) also applies concepts from the sociological branch of new institutionalism to study sexualities at work in local government, drawing on findings

from a large empirical project, while Sweeting (2008) has used a new institutional approach to study local political management in Spain. All of these scholars have focused primarily on direct or additive effects of new institutionalism on local governance and urban politics.

Despite its prominence in Western academia, research and applications of new institutionalist ideas have not yet contributed to political analysis in Africa. Yet I would agree with March and Olsen when they suggest that this new theoretical perspective is needed to understand the important role of political institutions. These authors argue, “Without denying the importance of both the social context of politics and the motives of individual actors, institutional analysis posits a more independent role for political institutions” (1989, p. 17). Research and empirical use of new institutionalism to study the local governance system in Tanzania, and the actual behaviours of personnel within that system, may yield valuable lessons for both Tanzania and Sub-Saharan Africa (SSA) at large.

In this study, the new institutional dimension of the local governance system is conceptualized through a mixture of actors, rules (in-form and in-use), policies and strategies-in-place, as well as patterns of interactions and networks among them. It consists of both formal and informal structures. The formal structure of an institution refers to state bodies such as, but not limited to, courts, legislatures and bureaucracies, as well as state-enforced rules, such as, but not limited to, constitutions, laws and regulations. So, the formal structure of the local governance system in Tanzania sets out the basic parameters for local action, specifying who can be involved in decision making and who plays which roles in an institutional setting.

On the other hand, we have informal institutions, which encompass civic, religious, kinship, and other “societal” rules and organizations. Helmke and Levitsky (2003) have noted that many of the “rules of the game” that guide political behaviour are not found in the formal or written rules, but rather consist of informal constraints, ranging from legislative norms to patterns of clientelism and patrimonialism, often shaping actors’ incentives in systematic and robust ways. Helmke and Levitsky (2003) argue further that informal rules do in fact shape formal institutional outcomes in significant and even systematic ways. Informal elements of the local governance system in Tanzania are comprised of socially shared rules, usually unwritten, that are created, communicated, and enforced inside and/or outside of officially sanctioned channels. Since social and political actors respond to a mix of both formal and informal constraints, then good institutional analysis requires that scholars examine both sets of rules (Helmke & Levitsky, 2003).

Figure 2.1: A Framework for Institutional Analysis²

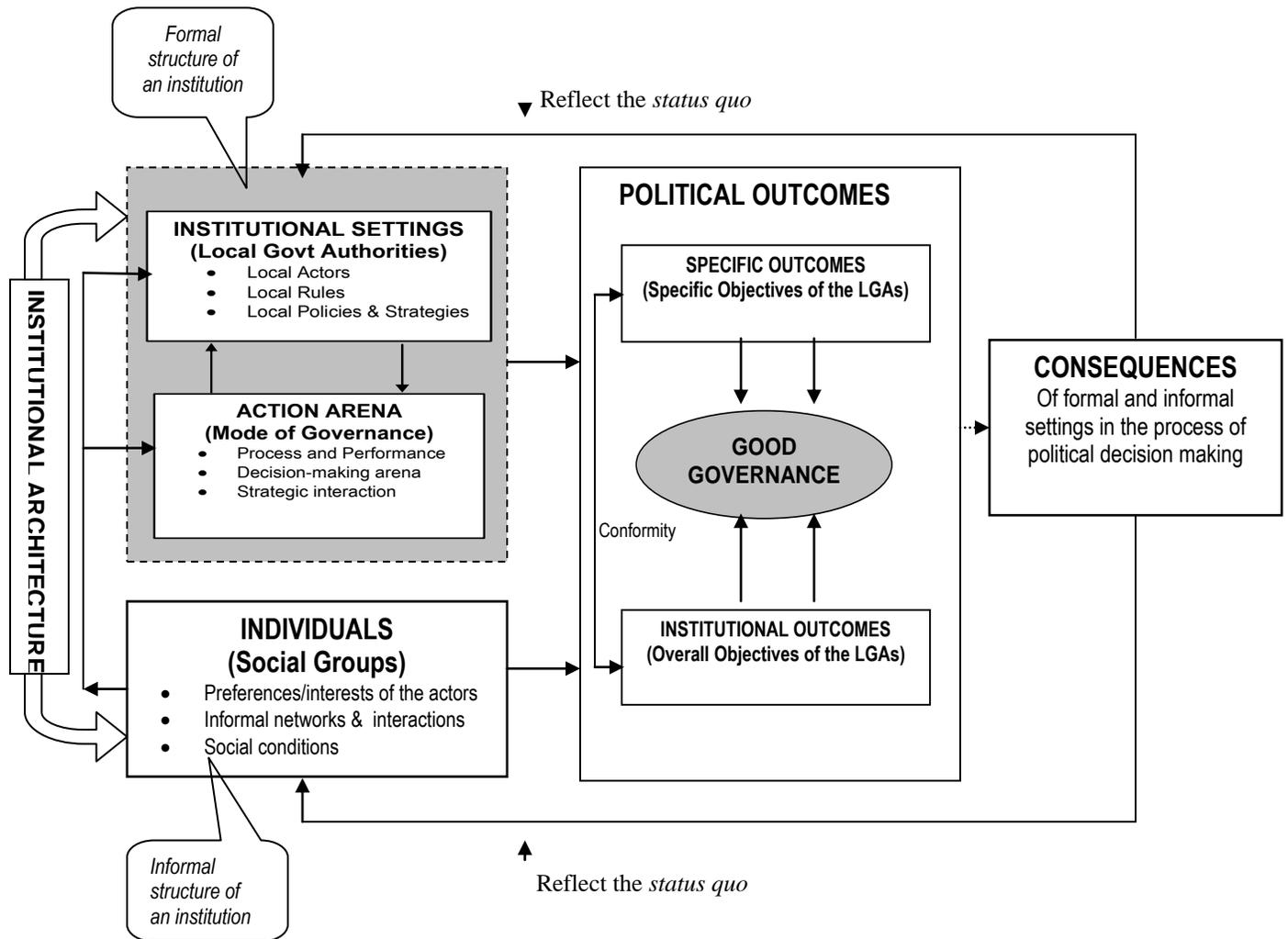


Figure 2.1 provides the new institutional model that guides my study. In this model, the formal structure of Tanzanian local government authorities (LGAs) consists of their *institutional settings* (actors, rules, policies and strategies), as well as the *mode of governance* that guides interactions and networks within the process of decision making. I indicate in this model that the *action arena* is equally influenced by the

² Author's Construct

informal structure of the LGAs; particularly, social and behavioural attributes of individuals (actors) involved in the process of decision making. As shown in the model, both formal and informal parts of the institution influence political outcomes, whether specific to a particular LGA or to all LGAs. I also show how the *consequences* of political outcomes reflect the *status quo* of the institutional architecture of the local governance system.

The new institutional analysis in this study explores the trade-offs implied or required by the current institutional architecture of the local governance system in Tanzania. This study addresses the way institutional structure, including political factors, affects the implementation of local government programs in Tanzania. The analysis in this study explores the architecture of decision making within LGAs, with special emphasis on the roles and powers of councillors (local political leaders) as they affect appointed officials (bureaucrats), as well as the effects of central–local government relationships in the local decision-making realm.

In analyzing these patterns of interaction and network, it is important to notice that structures are a product of human activities within an institutional setting. I argue that, although institutions constrict actors, constrain their behaviours and define their action arena, they also *empower* them. As a result, actors often times try to twist this “vested power” to maximize their own interests. Therefore, in this study I analyze and examine which alternatives a local society and its policy makers might have, which social group might be favoured or disadvantaged by the existing local institutional architecture, and whose interests might be served by a given local institutional architecture. This

analysis will suggest several insights into the institutional shortcomings of the local governance system in Tanzania.

2.4.3 Methods of Institutional Analysis

New institutionalism can be seen to consist of a number of diverse schools of thought. Guy Peters, for instance, has delineated seven different conceptions of new institutionalism: normative institutionalism, rational choice institutionalism, historical institutionalism, empirical institutionalism, international institutionalism, sociological institutionalism and network institutionalism (1999; 2005). Taking a somewhat different approach, Colin Hay has proposed a “constructivist institutionalism” as a distinctive approach to new institutionalism (2006, pp. 56–74).

For the purposes of this study, however, I only focus on the conceptions of new institutionalism devised by Hall and Taylor (1996), which consist of three different schools of thought; namely, historical institutionalism, rational institutionalism and sociological institutionalism (see also Koeble, 1995; Aspinwall and Schneider, 2000). These three approaches differ from each other in *how* they characterize and analyze the role of institutions in shaping political outcomes. Historical institutionalism refines our theoretical understandings of the different ways in which “history matters” in explaining social phenomena such as organizations (Pierson, 2004, p. 6). Approaches using rational choice institutionalism emphasize the equality of rules and institutions. Those employing sociological institutionalism do not refute the importance of rules but claim that institutions consist of more than rules; specifically, interests, culture and

behaviour (Lane & Ersson, 2000). A detailed analysis of these different approaches follows.

Historical institutionalism

Historical institutionalists argue that institutions are formal and informal procedures, routines, norms and conventions embedded in the organizational structure of the political system. Historical institutionalists view institutions as independent variables capable of shaping an individual's actions, but that are sometimes affected by collective and individual choices (Jung, 2005). This school of thought sees institutions through the lens of the patterns of power embedded within them. It is primarily concerned with the uneven distribution of power associated with the development and continuing operation of political institutions. As opposed to the other two schools of thought to be considered, historical institutionalism emphasizes the relationships among actors in an institutional context (Lichbach & Zuckerman, 1997), and attempts to integrate therein the contributions that other kinds of factors, such as ideas, can make to political outcomes (Hall & Taylor, 1996). The motivation behind historical institutionalism is finding out *how* ideas and culture affect political decision making, and identifying the mechanisms through which ideas and culture influence actors' goals, beliefs, and preferences.

Moreover, historical institutionalism has a view of institutional development that emphasizes *path dependence*. Path dependence means that current and future actions or decisions depend on the path of previous actions or decisions (Pierson & Skocpol, 2002). Pierson (2000), for instance, argues that an early institutional approach is very

important in explaining current institutional developments. Recently, path dependence has become a popular conveyor of the looser ideas that *history matters* or *the past influences the future* (Pierson, 2004; Crouch & Farrell, 2004; Mahoney, 2000; Hall, 1996). The point is that what happens at an earlier point in time is understood to affect the range of possible outcomes for a sequence of events occurring at a later point in time (Hall, 1996; Pierson, 2004). Importantly, Pierson (2004) suggests that early stages in the sequence of an institution's development can place particular aspects of political systems into distinct tracks that are then reinforced through time. In making this argument, historical institutionalists have asserted that the analysis of path dependence has important implications for social research and that it opens up whole new frontiers of research in social science.

This approach is important for this study of the local governance system in Tanzania because the patterns of the historical evolution of the LGAs remain very significant in analyzing the current state of these local institutions. As Warioba (1999) has noted, the local governance system in Tanzania was not devised in a vacuum, but was based on a historical pattern of developments from the colonial and immediate post-colonial periods. In order to understand the context of the success or failure of the modern local governance system in Tanzania, one must have a complete picture of the historical development of the local institutions, in which it is appreciated that both the original and distinct culture and its problems, out of which LGAs emerged, have evolved over time. From this perspective, I provide a detailed account of the structure of the LGAs from the pre-colonial era to the present, in order to investigate how the local governance system has been altered over time to meet the needs and aspirations

of the local community as determined by the law. For this purpose, the two crucial objects of my study are those factors that first set LGAs' development along a particular path in the past, and then secondly, the mechanisms of limited adaptation which comprise the current path of the local governance system in Tanzania. The importance of historical context is that it renders visible and understandable the overarching contexts and interacting processes that shape and reshape local politics in general and the LGAs in particular over time.

Rational Institutionalism

Despite the fact that new institutionalism developed in reaction to the behaviouralist revolution, rational-choice approaches have been employed to account for the building and maintenance of institutions (Scott, 2000). Rational-choice approaches in new institutionalism study how actors use reason to satisfy their own interests (Jung, 2005). This school of thought has been advocated by scholars like Oliver Williamson (1975), Douglas North (1986, 1990) and Margret Levi (1990, 1997), who view institutions as platforms that individuals used to minimize their transaction costs in pursuing basic self-interest. Unlike the rational-choice thinking of social behaviouralism, rational institutionalism does not see individuals as autonomous authors of their preferences; rather, their preference formation takes place within the constraints of the "preferences" imposed by the institutional settings (Mayer & Rowans, 2006, p. 7). Rational institutionalists view institutions as intervening variables capable of affecting an individual's choices and actions, but not determining them

(Jung, 2005). In this way, actors are not indifferent to the institutional architecture under which they are constrained.

Rational institutionalism drew successful analytical tools from the “new economics of organization”, which emphasized the importance of property rights, rent seeking, and transaction costs to the operation and development of institutions (Hall & Taylor, 1996, p. 943). This school of thought tends to see politics as a series of collective-action dilemmas; hence an emphasis on the role of strategic interaction in the determination of political outcomes. Rational institutionalism does not take institutions simply as exogenous constraints (North, 1990). It also assumes that the rules of the game in a given institution are provided by the players themselves; these become simply the ways in which the players want to play. At the core of this approach is the assumption that players or actors are strongly motivated to realize their own self-interests and, as a result, attempt to change the institutional structure based on their expectations about how change will help them maximize their personal utility.

Although the rational-choice approach was subject to early theoretical criticism for its limited explanation of observed events (Green & Shapiro, 1994), the approach remains important for my study of the local governance system in Tanzania because it encourages an examination and analysis of behaviour and influence by individuals and social groups on the action arenas (see Figure 2.1). Using this approach, I examine the skills and integrity of both councillors and local council officials in adhering to local rules and regulations. Elsewhere used by institutional economists to analyze relations between shareholders and corporate executives, between managers and employers, and

between retailers and suppliers, in this study the rational institutional approach is deployed to analyze the working relations between local bureaucrats and elected councillors, as well as between central and local government. In making use of this approach, my study examines the most visible expressions and understandings of the issues relating to institutional interplay, nesting and interconnectedness at the local level, and the tensions among these.

Sociological Institutionalism

Sociological institutionalism is associated with the work of scholars like Jon Elster (1989), Jan-Erik Lane and Svante Ersson (2000) and Peter Hedström and Richard Swedberg (1998) who focus on the *social mechanisms* of institutions. Elster defines these social mechanisms as “nuts and bolts, cogs and wheels—that can be used to explain quite complex social phenomena” (1989, pp. 3–4). Unlike the previous two schools of thought, sociological institutionalism is, by its own definition, broader. Its scholarship tries to break down the conceptual divide between institutions and the culture or society in which they are situated. Sociological institutionalists view institutions as dependent upon larger “macro level” variables such as society and culture (Jung, 2005, p. 39). Consequently, this school assumes that institutions may adjust the values and interests of actors who interact with and within these institutions, so that the behaviour of individual actors is not fully bounded by their worldviews.

Sociological institutionalism does not only involve formal rules, procedures or norms, but also includes symbol systems, cognitive scripts, and moral templates that provide the frames of meaning that guide human action (Hall & Taylor, 1996).

Sociological institutionalism thus emphasizes the highly interactive and mutually constitutive character of the relationship between institutions and individual actions.

In this study, the sociological institutional approach was applied to an examination of the *boundary problem* between what properly belongs to an institution and what lies outside of that same institution (Lane & Ersson, 2000). As Lane and Ersson (2000) argue, the boundary problem can raise critical questions about how institutions are related conceptually to other interactive systems, such as behaviour, interests and information. For this study in particular, an interesting focal point lies in central–local relations and the matter of local government’s relative autonomy in the process of decision making, with questions framed by how restrictively the highly interactive and mutually constitutive nature of the reformed local governance system in Tanzania could act as a constraining factor on good local governance. As with rational institutionalism, sociological institutionalism was also used to explore the working relations between local council officials and elected councillors, as well as issues related to citizens’ participation in the local decision-making process. Through this approach, my study will give an account of isomorphism between an institutionalized context of meaning and an institutional practice within the same institutional architecture.

The common ground among these three approaches is that: institutions affect political outcomes. As Peters (2005) has noted, all three approaches emphasize the role that structure plays in determining behaviour and the outcomes of political processes. In consequence, all three versions of new institutionalism emphasize that institutions

have the capacity to mould individual behaviour and lessen the uncertainty toward the achievement of a set objective, and this is the central idea in this study. Accordingly, the lessening of uncertainty makes performance more feasible and provides a better route for institutional success.

2.5 Defining Institutions

While the concept of institutions has always been “central” to political analysis (Rhodes, 1997, p. 64), there is a wide diversity within and across disciplines about “what constitutes an institution” (Goodin, 1996, p. 20). In this study, institution is defined as *a set of structural constraints—institutional design, rule and norm structure—which govern the behavioural relations, interactions and networks among individuals and/or groups*. As used in this study, institution includes, among other things, both informal constraints (such as preferences or interests of the actors, informal networks and interactions and prevailing social conditions) and formal settings (such as actors, laws, mode of governance, policies and strategies).

This broad conception of institution is also informed by March and Olsen (1989), who argue that institution is not necessarily a formal structure but rather a collection of norms, rules, understandings and perhaps routines. Furthermore, March and Olsen argue that institutions have a range of procedures and they use rules to select among them. For March and Olsen, institutions are to be understood by their stability and capacity to influence the behaviour of individuals for generations, and that they possess an intrinsic legitimacy that commits their members to behave in ways that may even contravene their own self-interests.

In their analysis of what constitutes an institution, March and Olsen (1989, 1995) note that an institution is a relatively enduring set of rules and organized practices, embedded in structures of meaning and resources that are relatively invariant in the face of turnover of individuals and relatively flexible to the distinctive preferences and expectations of individuals and changing external circumstances. In line with March and Olsen, Pierre defines institution as the “overarching systems of values, traditions, norms, and practices that shape or constrain political behavior” (1999, p. 373).

Douglas North relates institutions to “the rules of the game” in a society (1990, p. 3). To North, institutions are humanly devised constraints that shape interactions and structure incentives in human exchange, whether in the political, social or economic arena. North emphasizes that, without institutions, there is no order or civilization in any given society. On the other hand, Wunsch and Olowu (1995) argue that institutions are invaluable because they provide an institutional architecture³ that helps people to solve institutional problems. According to Wunsch and Olowu, a healthy institutional architecture helps people to gather the information they need as well as to make and implement necessary decisions. Moreover, Peters (2005) argues that institutions transcend individuals to involve groups of individuals in some sort of patterned interactions that are predictable, based on specified relationships among the actors.

The various definitions described earlier in this section share a common denominator: the production of order that affects the functioning of a society. Nkya

³ Wunsch and Olowu actually use the term *organizational infrastructure*, which is similar in context to the term *institutional framework* used in this study.

(2006) has argued that the major role of institutions in any society is to reduce uncertainty by establishing a stable structure for human interactions that should lead to a desirable political outcome. Likewise, Mbwambo (2003) argues that, whether a country pursues *good* or *bad* economic policies, is dependent on the quality of its institutions. This is also supported by Hall (2003), who argues that the presence of a specific set of political institutions might be validated by the contribution it makes to the efficient functioning of the social or political system in which it operates.

2.6 Conclusion

Despite widespread attempts by the government to build a strong institutional foundation, political institutions in Tanzania remain bombarded with images of high-level corruption in the media and inefficiency in their day-to-day dealings with citizens (discussed further in Chapter Three). Dethier (2000) had noted that, weak and ineffective institutions can enhance the ability of civil servants and politicians to engage in growth-constraining policies, such as rent seeking and corruption. This has been a major issue in Tanzania, where petty and grand corruption is widely identified with law enforcement officials, medical services, procurement of goods and services and large public contracts (Mgonja, 2004).

Undoubtedly, there is a need for an analytic examination of institutional issues related to these problems enumerated above. This is the subject of discussion in the next chapter. Very specifically, Chapter Three provides the theoretical and empirical analysis of institutions of governance in Tanzania before narrowing down to specific case studies in subsequent chapters.

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CHAPTER THREE

GOVERNANCE AND INSTITUTIONS: THEORETICAL AND EMPIRICAL ANALYSIS

3.1 Introduction

The potential link between governance and institutions is increasingly becoming a central concern in social science (see Marsh & Stoker, 1995; Rhodes, 1997; Burnham et al., 2004; Kjær, 2004). In political science, the approach taken to explore this link involves examining the role structure plays in determining political behaviours, the overall patterns of governance, and the outcomes of political processes. Therefore, the quality of institutions has long been recognized as an important component of a well-functioning system of governance (World Trade Organization, 2004, p. 176). This analytical approach not only helps to provide objectives and meaning for governance, but also offers a path to understanding the fundamental shortcomings of the local governance system in Tanzania. As Pierre argues, institutional analysis is a critical component for any understanding of local governance, not least because it highlights systems of values and norms that give meaning, direction, and legitimacy to such governance (1999, p. 390).

In my view, the issues and debates on governance can be explored from at least three different perspectives. The first of these is the *political economy dimension*, which focuses on state reforms in response to changes in global forces. The second perspective is that of the *neo-liberal dimension*, as promoted and enforced by the International Monetary Fund (IMF) and the World Bank in the early 1980s. The third

perspective is the *nation-state dimension*, which focuses on a country's own initiatives toward good governance for sustainable local development. While my discussion of governance will focus on the nation-state dimension, the impact of both the political economy and neo-liberal dimensions upon nation-state initiatives will necessarily be discussed as well. Furthermore, in the broad conception of governance and institutions, it is also understood that institutions can create a space between governance or policy intentions and unintended consequences.⁴ The institutional analysis in this study is used to explain the discrepancies between the visions of governance for Tanzania promulgated by socialist institutions and later capitalism within the country, as well as by foreign neo-liberal institutions (especially via the World Bank and the IMF), and to contrast these visions with their real institutional outcomes. This analysis is guided by the proposition that an effective institutional framework is vital for achieving sustainable good governance in Africa.

In this chapter, I explore different theoretical and empirical debates about governance in general and good governance in particular. I begin the chapter with an historical overview of post-colonial institutions⁵ of governance in Tanzania. Drawing upon my previous chapter, I will show how historical institutionalism offers a satisfactory analytical framework for studying the ability of the institutions of governance in Tanzania, from their inception through their development over time, to meet the needs of the local community. Furthermore, this analysis helps the reader to link the present state of institutional arrangements, the originating context or set of

⁴ Lee defines unintended consequences as situations where a policy action results in an outcome that does not match what was intended.

⁵ Refer to the guiding definition of Institution in chapter two.

circumstances behind the creation of that institution, and the sequence of connecting events—*institutional path dependence*. Secondly, this chapter explores the genealogy of the concept of governance in its various meanings and explains how thinking about governance can contribute to our understanding of political institutions. Thirdly, this chapter discusses a wide variety of governance initiatives in Tanzania, bringing together empirical cases for measuring governance in general and good governance in particular. I have indicated in this chapter that studying local governance in developing states of Africa brings strongly into focus the nature of the relationship between institutions and the quality of service provision at the local level.

3.2 Historical Context of the Postcolonial Institutions of Governance

The 1960s was an independence decade for most of the countries in Sub-Saharan Africa (SSA). Since then, most of these countries have experienced various forms of political governance regimes, ranging from extreme totalitarian states to the liberal democratic tradition (OECD, 2004, p. 36). Most of the countries in SSA practiced a distinctive political behaviour and created regional institutions designed to protect their newly born states from any external interference. African leaders such as Kwame Nkrumah in Ghana; Nnamdi Azikiwe and Obefemi Awolowo in Nigeria; Jomo Kenyatta, Thomas Mboya and Jaramogi Odinga in Kenya; Amilcar Cabral in Guinea-Bissau; and Julius Nyerere in Tanzania produced development philosophies⁶ which justified their conceptions of where they would want to focus after independence. To them, the major challenge was how to extend traditional African values to the modern

⁶ Or doctrine: a belief (or system of beliefs) accepted as authoritative by some group or school (<http://wordnetweb.princeton.edu/perl/webwn>)

nation-state setting. In meeting this challenge, most of these leaders aspired to use the best from their own traditions of governance to oversee social development within their countries. By some measures, this was successful. For instance, Todd Moss has noted that Africa's immediate post-independence period was fairly positive, with income per capita rising about 2.4 per cent per year during the 1960s (2007, p. 89).

In Tanzania, President Julius Nyerere postulated *Ujamaa*⁷—his particular version of socialism—as the answer to the Tanzania's political and socio-economic problems. Nyerere was known not only as an articulate spokesman for African liberation and African unity, but also as an educator and philosopher (Kassam, 1983, p. 56). Before beginning his political career, Nyerere was a teacher, and as a result of the intimate interaction between his political and educational leadership, he was tenderly and respectfully referred to by the title of *Mwalimu*, or *teacher*, by Tanzanians. Soon after independence in 1961, the government declared three “enemies” that threatened independence and national security: poverty, ignorance, and disease (Nyerere, 1966, p. 115). On the evening of the day he took his oaths as Prime Minister of Tanganyika in May 1961, Nyerere told Tanganyikans:

I have talked to you before about poverty, ignorance, and disease. But in fact, if we defeat poverty, we shall have achieved the means by which we can defeat ignorance and disease. Yet poverty is something that really only you can fight. . . . This is your battle. This is our battle. This is the enemy we all must fight. (Nyerere, 1966, pp. 114-115)

⁷ *Ujamaa* is a famous Swahili word often used to mean socialism. It was first used in a political context by President Nyerere in his chapter “Ujamaa—the Basis of African Socialism” (Nyerere, 1962, pp. 162-171). However, in its original Tanzanian context, *Ujamaa* goes further to mean family-hood, brotherhood or friendship.

In an effort to eradicate these three enemies, Nyerere pursued social, political and economic policies that redefined the roles and functions of the state. In February 1967, President Nyerere's government adopted a socialist development economy that led to extensive government involvement in all social spheres in addition to centralized public planning and control and delivery of social services. The government of Tanzania attempted to implement a nationwide system of collectivized agriculture, with emphasis on the canon of *socialism* and *self-reliance*. These two guiding principles were channelled through the ruling party under the rubric of the Arusha Declaration.

The Arusha Declaration is a set of principles drafted in Arusha Town by the governing party, TANU,⁸ in February 1967, to serve as a guide toward economic and social development in Tanzania. The essential substance of the Arusha Declaration was a rejection of the concept of national splendor as distinct from the well-being of its citizens, and a rejection of material wealth for its own sake. The declaration emphasized the concept of equal opportunity and the need to reduce social inequities.

As stated by President Nyerere:

The objective of socialism in Tanzania is to build a society in which all members have equal rights and equal opportunities; in which all can live in peace with their neighbors without suffering or imposing injustice, being exploited, or exploiting; and in which all have a gradually increasing basic level of material welfare before any individual lives in luxury. (Nyerere, 1968, p. 340)

⁸ The Tanganyika African National Union (TANU), founded by Julius Nyerere in July 1954, was the principal political party in the struggle for sovereignty in Tanganyika (now, Tanzania Mainland). After Tanganyika and Zanzibar united in April 26, 1964, TANU continued to be a ruling party in Mainland Tanzania and the Afro-Shiraz Party (ASP) for Zanzibar until their merger in February 5, 1977 to form *Chama Cha Mapinduzi* (the Revolutionary Party).

The Arusha Declaration was a commitment to the belief that there are more important things in life than amassing riches, and that, if the pursuit of wealth clashes with concerns such as human dignity and social equality, then the latter are to be given priority (Nyerere, p. 316). The Arusha Declaration emphasizes the need for mobilizing human resources for self-reliant development rather than relying on capital or material resources, underpinned by the idea that the development of a country is brought about by people, not by money. According to Nyerere, money and the wealth it represents should be the result and not the basis for Tanzania's development (Nyerere, 1968, p. 243). Hence, the Arusha Declaration identifies four prerequisites for Tanzania's development: (i) land, (ii) people, (iii) good policies, and (iv) good leadership.

The Arusha Declaration states the principle that land is the basis for human life and all Tanzanians should treat it as a valuable investment for future development. Thus, it is a responsibility of the government to see to it that land is used for the benefit of the whole nation and not for the benefit of one individual or just a few people. The Arusha Declaration also states the belief that people are important tools for policy implementation. Hence, the people of Tanzania had to be taught the meaning of self-reliance and how to practice it. The Arusha Declaration states that socialism and self-reliance are the best policies for the development of a young nation like Tanzania. Finally, the Arusha Declaration recognizes the importance of good leadership and the urgency of establishing such: leaders must set a good example to the rest of the people in their lives and in all their activities (see Nyerere, 1967). President Nyerere's goal was to make his poor nation economically and politically independent and to create an equalitarian society. According to Yefru, the Declaration was widely acknowledged by

many African countries for its historical significance in development (2000, p. 366). Yefru notes further that the significance of the Arusha Declaration lies on its idea of development from the grass roots, which no one country in the continent envisioned the same (2000, p. 366).

In September 1967, Nyerere published his book, *Socialism and Rural Development*, in which he spelled out three governing principles upheld by socialism and self-reliance: *equality*, *mutual respect* for all families, and *participation* in the collective development. President Nyerere emphasized rural development because about 90 per cent of all Tanzanians lived in rural areas and the majority of them relied on a subsistence agricultural economy. Through his rural development strategy, all Tanzanians were encouraged to form villages based on co-operation and communal work, commonly known as *Ujamaa* villages. Essentially, this implied two things: village autonomy and a directed effort by the state (Hyden, 1980, p. 105). This development strategy advocated that development beneficiaries actively contribute to their own development whereas the government would provide social services such as roads, schools and hospitals. However, as with many other social experiments of this kind, Nyerere's ambitions failed to meet the objective of eradicating poverty, ignorance, and disease, and Tanzania's economy was ultimately crippled by a combination of *Ujamaa's* policies, natural disasters and a war with Uganda in the late 1970s.

Following the wide array of reforms pioneered by the World Bank and the IMF in the early 1980s, the failure of Tanzanian socialism was accepted as obvious especially

for Nyerere and his ruling party – *Chama cha Mapinduzi* (CCM, Revolutionary Party). By 1985, the government was essentially bankrupt and had little choice but to comply with the World Bank and the IMF (Holtom, 2005, p. 550). While Nyerere admitted that some of his policies were mistakes (for instance, nationalization of the sisal plantations), he nevertheless defended the validity of his policies until his death in October 1999. In his very last interview, with the *New Internationalist Magazine* (*NIM*) about a year before he died, Nyerere was asked, “Does the Arusha Declaration still stand up today?” He responded:

I still travel around with it. I read it over and over to see what I would change. Maybe I would improve on the Kiswahili that was used but the Declaration is still valid. I would not change a thing. Tanzania had been independent for a short time before we began to see a growing gap between the haves and the have-nots in our country. A privileged group was emerging from the political leaders and bureaucrats who had been poor under colonial rule but were now beginning to use their positions in the Party and the Government to enrich themselves. This kind of development would alienate the leadership from the people. So we articulated a new national objective: we stressed that development is about all our people and not just a small and privileged minority. The Arusha Declaration was what made Tanzania distinctly Tanzania. We stated what we stood for, we laid down a code of conduct for our leaders and we made an effort to achieve our goals. This was obvious to all, even if we made mistakes—and when one tries anything new and uncharted there are bound to be mistakes . . . I still think that in the end Tanzania will return to the values and basic principles of the Arusha Declaration. (*NIM*, 1999, para. 11, 12, 23)

In 1985, Julius Nyerere voluntarily retired from the presidency, although he remained the chair of the ruling party, CCM, until August 1990. Nyerere’s successor, Ali Hassan Mwinyi, launched the first Economic Recovery Plan (ERP) in 1986, a liberalization program which emphasized the production of cash crops through individual incentive, free market incentives in industrial production, and devaluation of

the Tanzanian shilling (Zirker, 1997). Since 1986, Tanzania gradually began the transition to a more market-based or capitalist economy.

3.3 How Governance Appeared on the Agenda

3.3.1 An Overview

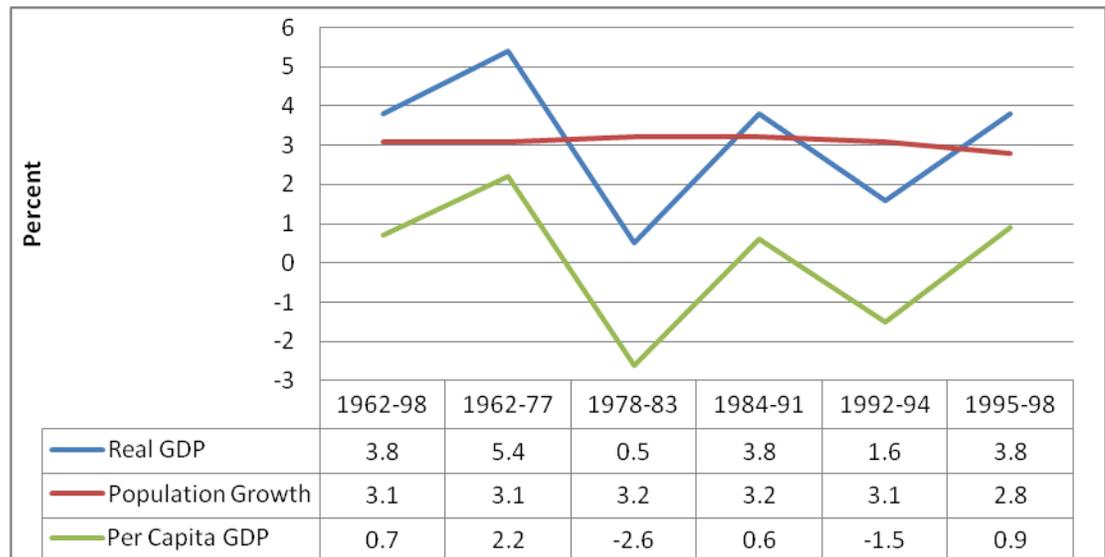
Following a period of steady growth in the 1960s and early 1970s (see Table 3.1), in the 1980s the economic performance of many countries in SSA was disappointing and the majority of the population lived in absolute poverty. The 1980s is often called the “lost decade” for SSA, with average incomes declining by 1.1 per cent per year (Moss, 2007, p. 90). While my focus is not on the whole of SSA, I will give an illustration of two other countries, apart from Tanzania, to demonstrate the 1980s’ economic downturn in SSA. If we compare two pairs of countries, Ghana and Nigeria (from SSA) on the one hand and South Korea and Indonesia (from South-east Asia) on the other we will see that, both countries started at very similar levels of income in the early 1960s but have diverged sharply since then. When Ghana achieved its independence in 1957, it was one of the wealthiest nations in SSA, with per capita income almost equal to that of South Korea; that is, US\$490 for Ghana versus US\$491 for South Korea. However, by the early 1980s, Ghana’s annual income per capita had fallen by nearly 20 per cent to US\$400, while South Korea’s per capita GDP was, by then, over US\$2,000 (see Werlin, 1991). On the other hand, Nigeria’s initial condition in the 1960s was more promising than that of Indonesia (Lewis, 2007, p. 67). According to official data, the Nigerian economy expanded about five per cent on average in the 1960s with per capital income slightly higher than Indonesia; that is,

US\$624 for Nigeria versus US\$600 for Indonesia. However, by the early 1980s, the Nigerian economy declined dramatically compared to that of Indonesia. While Indonesia witnessed more than six per cent average annual economic growth in the 1980s, Nigeria's net economic growth from 1981 through 1990 averaged only 1.33 per cent per annum (see Lewis, 2007, pp. 68, 77).

In Tanzania, the extensive government involvement in social service provision was eventually incompatible with the level of economic growth in much of the late 1970s and 1980s. As Ndulu and Mutalemwa have pointed out, the state had an overwhelming role in resource allocation and an enormous amount of control over the actions of economic agents (2002, p. 84). By the end of the 1970s, the Tanzanian economy was in a serious financial and production crisis and began to decline rapidly (Lawrence, 2003, p. 51). Agricultural production fell and food shortages abounded in almost every part of the country. In the early 1980s, the public expenditure framework expanded far beyond what the government could afford; Calderisi has noted that in the 1980s, 60 per cent of the development budget was funded by foreign aid (2006, p. 108). The scale of this downturn is demonstrated by the fact that the Tanzanian economy declined dramatically from 1982 to 1990, from the 14th poorest country with a GNP per capita of US\$280, to the second poorest in the world with a GNP per capita of US\$110 (World Bank, 1984; World Bank, 1992). By means of explanation, African governments essentially saw the root cause of their problems in their inequitable economic relations with the developed world. In contrast, however, the World Bank Report of 1981, also known as the "Berg Report," placed the blame for Africa's poor

performance on bad domestic economic policies, such as state regulation and intervention in markets.

Figure 3.1: Tanzania: GDP and Population Growth, 1960-1998⁹



In order to curb the growing socio-economic crisis, Tanzania, like other countries in SSA entered into formal negotiations with the IMF and the World Bank for the implementation of Structural Adjustment Policies (SAPs) and Economic Recovery Programs (ERPs), the result of which was the reintroduction of a market-based economic system in 1986. The reform programs pioneered by the IMF and World Bank were aimed at promoting economic growth, reducing poverty and encouraging popular participation and good governance (Mugerwa, 2003, p. 1). Hence, since the early 1980s, there has been an unprecedented wave of policy changes or reforms that are

⁹ Author's construct, data extracted from Ndulu and Mutalemwa, 2002, p. 48

global in scope and Africa could not isolate itself from this fact (see Miller, 2005). For instance, Senegal adopted these policies earlier in 1979 whereas Kenya and Ghana reached a similar agreement in 1983 (Moss, 2007, p. 106). It is for this reason, as indicated by Ayeni, that some observers have described this wave of reforms as a “global revolution” (2002, p. 1). By the mid 1990s, about 29 African countries had entered into agreements with the IMF and the World Bank (Lawrence, 2003, p. 51).

3.3.2 The Rise and Fall of the Washington Consensus

The beginning of the 1980s marked a very significant shift in development policy in Africa, from state-led to market-led economies. This shift was based on the assumption that free trade is the most effective way to promote growth as it was believed that value generated by trade would ultimately trickle down throughout society. Thomas Friedman was among the more popular authors who championed this neo-liberal concept. Friedman (2005) has argued that free trade, private property rights and free markets lead to a richer, more innovative, and more tolerant world. This neo-liberal view was promoted and supported not only by global financial institutions, but also by most of the major trading states and multinational corporations (Lamy, 2008, p. 131).

The neo-liberal policies of the 1980s are often referred to as the “Washington Consensus” a term first used in 1989 by World Bank economist John Williamson in a conference he hosted to draw attention to economic reforms that had been carried out in Latin America over the last decade and to identify areas in need of further reform (Williamson, 1990). The term *Washington Consensus* is used to refer to the complex

array of policy reforms proposed by the IMF and the World Bank in the 1980s as remedial measures for the failing policies in place at the time in the developing world. Williamson's intention was not to criticize Latin America's reforms, but he believed that these reforms were so widely recognized as correct that they should constitute the standard reform for developing nations (Williamson, 1990).

The Washington Consensus used, among other instruments, Structural Adjustment Policies (SAPs) as universal blueprints for development, regardless of the particular exigencies of a given country. The goal of these policies was to put in place a set of mechanisms for achieving development by relying on the market, with minimal state interference. A crucial aspect of these policies was the promise of policy changes by recipient countries in exchange for aid (Moss, 2007, p. 106). More specifically, SAPs involved the following policies, which are often referred to as "conditionality": (i) shrinking the larger budget deficits through fiscal discipline; (ii) reordering public expenditure priorities such as basic health, education and infrastructure; (iii) building a fair and effective tax system through tax reform; (iv) liberalizing interest rates by stopping the state from artificially forcing interest rates; (v) allowing a competitive exchange rate; (vi) trade liberalization through moving toward more open trade; (vii) liberalization of inward investment by encouraging foreign investors; (viii) privatization of state owned industries to allow more profits; (ix) reducing barriers to private business operations through deregulation; and (x) legal security for property rights. These policies came into widespread use in the 1980s and became the basis for determining the development prospects of developing countries.

While SAPs were applied extensively in most of SSA in the 1980s, this part of the continent was still trapped in such a vicious cycle of poverty that few of the countries could exit these programs with successful economies measured by sustained economic growth. Neo-liberal policies failed to deliver distinct improvements in governance and economic performance, let alone the broader and more demanding goals of African development. Even with additional funding from the World Bank, the situation in Africa deteriorated further (Stein, 2008, p. 38). For example, Howard Stein argues that from 1980 to 1989, real per capita income for SSA fell by 1.2 per cent per annum, while debts increased at an annual compounded rate of 12 per cent. Moreover, the debt-to-exports ratio rose at a rate of 17.7 per cent per annum to a completely unmanageable 360 per cent of gross domestic product (Stein, p. 39). Weisbrot, Baker, and Rosnick, who have analyzed the consequences of neo-liberal policies on developing countries, have noted that “contrary to popular belief, the past 25 years (1980–2005) have seen a sharply slower rate of economic growth and reduced progress on social indicators for the vast majority of low- and middle-income countries compared with the prior two decades” (2005, p. 1).

By the end of the 1980s, anxiety among developing countries had grown, regarding the SAPs’ ability to deliver the promised economic growth as well as the social impact of these policies. Post-development scholars criticize the SAPs as “pernicious discourse, a grand modernizing and colonial narrative reflecting and serving Eurocentric interests” (Craig & Porter, 2006, p. 2). Furthermore, these critiques became prevalent not only among the poorest states, but also within the World Bank and the IMF themselves.

Similar to other post-development scholars, Joseph Stiglitz, who was the World Bank's chief economist from time to time, has argued that SAPs have served as an intimidation factor used by the West against the poor people of Africa and other developing countries (2002, p. 9). The IMF and the World Bank imposed conditions such as drastic cuts in social expenditure, removal of food subsidies, retrenchments, currency devaluations and the introduction of user fees for education and healthcare services. According to Stiglitz, anyone who valued democratic processes would conclude that conditions such as these undermine the national sovereignty of recipient countries (2002, p. 9). This belief was partly due to lack of opportunity for African countries to borrow from the world capital markets, as well as their dependence on aid that gave donors significant power and influence over domestic affairs in recipient countries. Stiglitz has argued further that the East Asian crisis of the late 1990s offers a lesson that inappropriately managed market liberalization is devastating for poor countries (Thomas, 2008, p. 434). Stiglitz called for change but his message was not well received within the community of international financial institutions (IFIs). Stiglitz ultimately left office in 2000, highly critical of IFI policies (Thomas, 2008, p. 434).

The notion that donors should have power and influence over the domestic affairs of recipient countries raised concerns about the "ownership" of reform programs. The experiences of developing states show that reform ownership is an important determinant for policy success. Thomas notes that to induce better outcomes, reforms have to be country-driven and owned rather than imposed by outside actors (2008, p. 435). However, the reform experience in Africa has been that donor countries or

organizations assume ever more extensive powers and influence over the recipient countries. But, as a consequence, Tsikata argues that any reform initiative in Africa cannot be sustained in the absence of ownership by and commitment from Africans themselves (2003, p. 31). Tsikata then outlines four contexts in which reform ownership can be demonstrated: (i) at the initiation level; (ii) during the refining process; (iii) through expressible political support; and (iv) by the extent of public support and participation. The implementation of SAPs in the early 1980s in Tanzania was complicated by a lack of broad-based domestic consensus and support (Tsikata, p. 36). This was partly due to the fact that reforms were not home-instituted and partly due to the legacy of socialism under the leadership of Nyerere.

Critiques of structural adjustment policies have also centred on the increased unemployment and greater poverty among and within states caused by SAPs (Lawrence, 2003, p. 54). In Tanzania, as in other African countries, SAPs resulted in a wide economic gap between the business sector and public workers and peasants, with the poor becoming even poorer. Following the introduction of progressively larger and more frequent user fees for social services in the late 1980s, school enrolment and quality of social services declined. As I was one of those who went to junior high school in Tanzania in the early 1990s and come from a very poor family background, I view SAPs as regressive and particularly burdensome for the poor, as poor households had limited resources to pay for social services, particularly for education and health services. Consequently, by 1993, gross enrolment in primary education in Tanzania had declined from 100 per cent in 1980 to 82 per cent whereas the illiteracy rate had increased from 10 to 16 per cent between 1986 and 1992 (World Bank, 2002, p. 1).

Meanwhile, six per cent of the better-off had access to secondary school, whereas only one per cent of the poor had this privilege (Klugman et al., 1999, p. 91).

In addition, although a variety of fees were levied on primary and secondary education (basic education) university education remained free of charge. Consequently, the structure of government educational spending in Tanzania became highly biased, with the highest income earners receiving more than twice the share of the overall public expenditure on education received by the lowest income earners (see World Bank, 2002, p. 2). According to official data, the share of education in total government spending dropped from 12.55 per cent to 6.45 per cent between 1980 and 1987, and the share of health services declined from 5.61 percent to 3.66 per cent over the same period (see Table 3.1).

Table 3.1: Tanzania: Government Expenditure¹⁰

Fiscal Year	Education (%)	Health (%)
1980/1981	12.55	5.61
1981/1982	12.47	5.38
1982/1983	13.09	5.29
1983/1984	11.85	5.46
1984/1985	7.29	4.98
1985/1986	7.61	4.37
1986/87	6.45	3.66

¹⁰ Tanzania Government Budgets from various years

Altogether, key objectives of President Nyerere's development strategy for Tanzania, as reflected in the Arusha Declaration 1967—*ensuring that basic social services be available equitably to all members of society*—had become severely constrained. In his interview with the *New Internationalist Magazine*, Nyerere said:

I was in Washington last year. At the World Bank the first question they asked me was, "How did you fail?" I responded that we took over a country with 85 per cent of its adult population illiterate. The British ruled us for 43 years. When they left, there were two trained engineers and 12 doctors. This is the country we inherited. When I stepped down there was 91 per cent literacy and nearly every child was in school. We trained thousands of engineers and doctors and teachers. In 1988 Tanzania's per-capita income was US\$280. Now, in 1998, it is US\$140. So I asked the World Bank people what went wrong. Because for the last ten years Tanzania has been signing on the dotted line and doing everything the IMF and the World Bank wanted. Enrolment in school has plummeted to 63 per cent and conditions in health and other social services have deteriorated. I asked them again: "What went wrong?" These people just sat there looking at me. Then they asked what could they do? I told them have some humility. Humility—they are so arrogant! (NIM, 1999, para. 25-27)

In 1989, a new World Bank report on Africa, *From Crisis to Sustainable Growth*, was released. Unlike the Berg Report (1981), which was undertaken without any direct input from Africans, this new report demonstrated its commitment to African participation. The World Bank admitted its past mistake of imposing policies which were not friendly to recipient countries and suggested that this new development agenda should now be shaped through local participation and ownership. It is indicated in the report that about 400 Africans from various countries in Africa were interviewed. The report introduced an entirely different set of policies intended to alleviate Africa's poor track record in economic (and social) development. Based on the comments of respondents, the report argues that, in order for African governments to succeed, they need to "address the fundamental questions relating to human capacities, institutions,

governance, the environment, population growth and distribution and technology” (World Bank, 1989, p. 1). According to this report, the underlying factor behind the failure of Africa’s economies is a crisis of governance (World Bank, p. 60). As Lawrence has pointed out:

Market liberalization could not deal with these problems which, rather than a “rolling back of the state;” require a well-functioning bureaucracy operating through a set of public and private institutions, which combine to create a “developmental state.” (2003, p. 53)

Affixing blame for the failure of structural adjustment policies to achieve intended beneficial results in the recipient countries, the “governance” debate began to feature in policy statements toward the end of the 1980s. In *From Crisis to Sustainable Growth* (1989), the World Bank singled out poor governance as one reason for the failure of SAPs. In many African countries, there was evidence of extensive personalization of power, abuse of human rights, widespread corruption and prevalence of unelected and unaccountable governments (Mhina, 2000, p. 429). Hence, by the early 1990s, a crisis in governance was generally considered an inevitable consequence should existing policies for Africa’s development be continued.

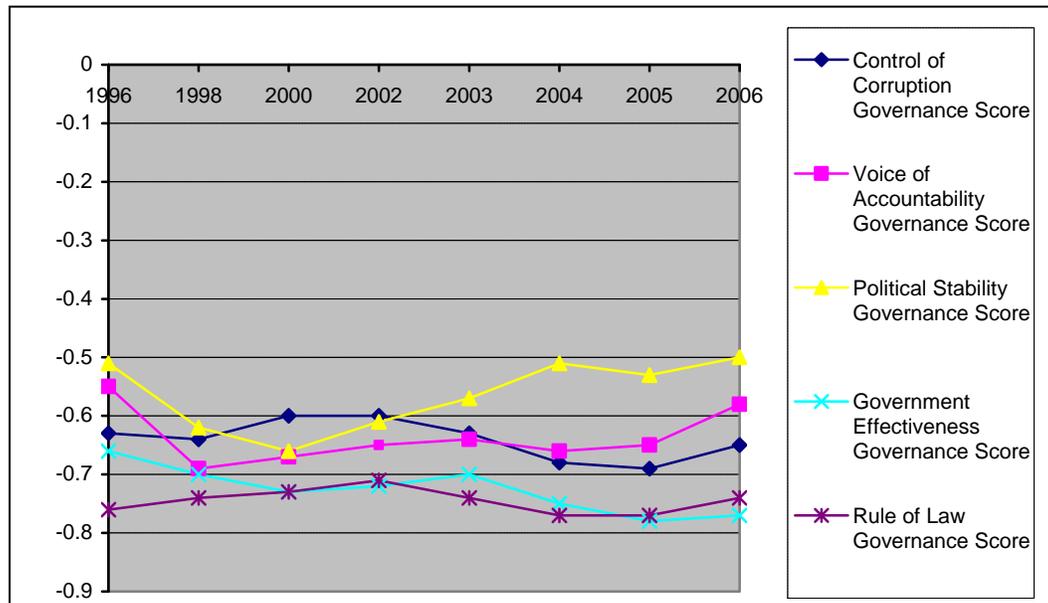
The new idea of focusing on governance was explored further in the April 1991 *Annual World Bank Conference on Development Economics*. In a section titled “The Role of Governance in Development”, the Bank’s chief economist, Lawrence H. Summers, argued in his keynote address that “the question of what governments must do, what they can do, and how we can help them do it better leads to the difficult problem of governance” (Summers, 1991, p. 13). The importance of governance was also pointed out at the same conference by Edgardo Boeninger, who was the minister

secretary general of the presidency in the Republic of Chile. Boeninger argued that “the question of how governance promotes development cannot be considered in the abstract; the social milieu that provides the setting in which the state operates is crucial” (1991, pp. 269-270). While under the Washington Consensus, external actors (mainly, the IMF and the World Bank) had decided on the universal development blueprint for each recipient country, under this new emphasis on governance, national governments became responsible for owning development strategies and civil society for participating in their formulation (Thomas, 2008, p. 434). According to Boeninger, a consequence of this new emphasis would be that local actors would be central to sorting out the challenges, constraints, and priorities of political and economic reform (1991, p. 70).

On coming to power in 1995 as World Bank president, James Wolfensohn promised to make the Bank more sensitive to the needs of developing countries. Wolfensohn tried to recast the Bank’s image as an institution that was not only moving away from structural adjustment, but was also making the elimination of poverty its central mission, along with the promotion of good governance (Bello & Guttal, 2006, p. 69). Consequently, the quality of governance was recognized as one of the essential ingredients for development prospects in Africa. For instance, since 1996, the World Bank has built worldwide governance indicators that report aggregate and individual governance indicators for developing countries (see Figure 3.2). These indicators are compiled from several sources, including polls of experts conducted by commercial risk-rating agencies, and resident surveys conducted by other organizations in a large number of surveys and other cross-country assessments of governance (Alence, 2004).

This was done based on the World Bank’s belief that governance matters and that there are strong causal relationships between good governance and development outcomes (Kaufmann et al., 1999).

Figure 3.2: Sub-Saharan Africa: Governance Indicators (1996-2006)¹¹



3.4 The Definitional Problems with Governance

While the concept of governance is central to the literature in political science and public administration, there has been a long struggle with the understanding of what precisely governance is—and when is it *good*? I have written elsewhere that “governance in general and good governance in particular, can be confusing phrases that could mean various things to various people” (2006, p. xi). In fact, the terms often have a different meaning when translated from English to other languages, and clear equivalents do not always exist for the terms *governance* or *good governance* (see

¹¹ Worldwide Governance Indicators Project (<http://info.worldbank.org/governance/wgi2007/home.htm>)

Frantzi & Kok, 2009, p. 7). For instance, in India, the word continues to be used in common parlance to simply mean government (Dethier, 2000, p. 2), while in Dutch its approximations, for example *bestuur*, are not quite the same as *governance*, and consequently many Dutch scholars use the English word when writing in Dutch (Frantzi & Kok, 2009, p. 7). In the Swahili¹² language, the word has not found a proper translation. The words *utawala* and *utawala bora*, which are frequently used for *governance* and *good governance* respectively, literally mean *administration*, which is not quite the same as *governance*. Hence, in order to make any progress with my discussion about governance in Tanzania, it is important to have a clear understanding of what is meant by this term.

The term *governance* is a rather old term, despite its recent prominence (Pierre & Peters, 2000, p. 1; Rhodes, 1997, pp. 46-52). In 1470, Sir John Fortescue, Chief Justice of the Court of King's Bench in England, published a book called *Governance of England* (Dethier, 2000, p. 2). In 1989, the World Bank raised the issue of governance in the context of developing nations by defining it as the "exercise of political power to manage a nation's affairs" (World Bank, 1989). Since then, the word *governance* has been increasingly used around the world in public policy debates to refer to "the manner in which power is exercised in the management of a country's economic and social resources for development" (World Bank, 1992).

Despite the long provenance of the concept of governance, there is as yet no strong consensus around a single definition of governance or good governance. According to

¹² Swahili is a National language in both Tanzania and Kenya

the *Oxford Dictionary*, governance means, “The act or manner of governing, of exercising control or authority over the actions of subjects; a system of regulations.” For the purpose of this study, governance is prescriptively conceptualized in a perspective that is grounded on institutions, networks and outcomes. In this view, I will use Rhodes’ definition of governance as “self-organizing, inter-organizational networks characterized by interdependence, resource exchange, rules of the game, and significant autonomy from the state” (Rhodes, 1997, p. 15). Rhodes’ use of the term governance does not focus on state actors and institutions as the only relevant participants in the governance system, but also on the use of networks (which could be intergovernmental, inter-organizational, trust and reciprocity crossing the state-society divide, or transnational) in the pursuit of common goals. I have chosen Rhodes’ definition not because it offers a unique perspective on governance, but because it extends beyond the role and actions of public sector institutions, structures, and processes to refer to the broader ideas of *how* societies organize to pursue common goals. In this regard, as Kooiman has noted, governance can be seen as an inter-organizational phenomenon that involves the totality of the theoretical conception of governing (1993, pp. 6, 258; 2003, p. 4). Kooiman, like Rhodes, sees governance as the pattern that emerges in a socio-political system as a common outcome of the inter-connecting interventions of all involved factors.

Lynn et al. more restrictively define governance as regimes of laws, administrative rules, judicial rulings and practices that constrain, prescribe, and enable government activity, where that activity is broadly defined as the production and delivery of public goods and services (2001, p. 20). According to Lynn et al, governance involves

bargaining and compromise among actors with different interests; it comprises both formal and informal influence, either of which may characterize the relationship between a formal authority and the actual conduct of its government-mandated operations (2001, p. 10). Following the same trail, Weiss argues that governance then is about government, as well as those agents, mechanisms and institutions that “transcend the formal government apparatus” (2000, p. 800). It comprises all the mechanisms, processes and institutions through which citizens and groups articulate their interests, exercise their legal rights and obligations and mediate their differences (Brillantes Jr., 2005).

Moreover, Ngware argues that governance is the “exercise of social, political, economic and administrative authority to manage a nation or municipal affairs” (1999, p. 9). Wohlmuth expands on this to refer to governance as the configuration of a social group that forms the basis of the ruling coalition and the policy direction that is produced by the interaction of its political and social elites (1999, p. 195). So, to Wohlmuth, governance is more than an arrangement of political structures and the capacity of government institutions in a country. The *Institute on Governance* (IOG) expands on this definition of governance as comprising “the traditions, institutions and processes that determine how power is exercised, how citizens are given a voice, and how decisions are made on issues of public concern” (Graham et al., 2003). According to the IOG, governance is not only about *where to go*, but also about *who should be involved in deciding*, and in *what capacity*. To the IOG, the process of governance involves not only government but also societies or other organizations that make their own important decisions, determine whom they involve in the process and how they

render account. However, even though the many existing definitions of governance cover a broad range of issues, one should not conclude that there is any lack of definitional consensus in this area. This is rather an indication that there is a wide diversity of empirical measures of the various dimensions of governance.

From an institutional perspective, governance is about affecting the frameworks within which citizens and officials act and politics occurs, and which shape the identities and institutions of civil society (March & Olsen, 1995, p. 6; Kjær, 2004, p. 10). Pierre and Peters argue that there are two ways to think about governance: *Governance as Structure* and *Governance as Process* (2000, pp. 14-23). According to these scholars, thinking about governance in structural terms has emphasized the impact of structures (such as markets, networks and communities) and institutions in solving the socioeconomic problems of a nation. On the other hand, governance as process centres more on processes and outcomes than formal institutional arrangements. This is because governance, with its encompassing and contextual approach to political behaviour, sometimes is less concerned with institutions than with outcome (Peters & Pierre, 2000, p. 22). However, Peters and Pierre note that institutional arrangements remain important not least because they determine much of what roles the state can actually play in governance.

As Kjær has pointed out, this broad institutional perspective defines governance as “the setting of rules, the application of rules, and the enforcement of rules” (2004, p. 10). This sort of institutional perspective also informs the World Bank Report, *Can Africa Claim the 21st Century?*, which refers to governance as “the institutional

capacity of public organizations to provide the public and other goods demanded by a country's citizens or their representatives in an effective, transparent, impartial, and accountable manner, subject to resource constraints" (World Bank, 2000, p. 48).

On the other hand, *good governance* is a more confusing phrase as it is hard to tell what is good and what is bad, and in what *perspective* this is so. Kjær argues that good governance was introduced on the development agenda by the World Bank because it needed to explain why a number of countries had failed to develop, despite the fact that they had adopted SAPs (2004, p. 138). To the World Bank and the IMF, the answer was bad governance, understood as self-serving public officials and corruption in the public service. According to the World Bank (1989), good governance means an increased transparency and accountability in the public sector. In turn, the European Union (EU) White Paper on *European Governance* proposes five principles underpinning good governance: openness, participation, accountability, effectiveness and coherence. The EU's White Paper argues that each principle is important for establishing more democratic governance, which then enables individual nations to respond to the challenges facing the EU.

Ngware draws from all of these definitions to define good governance as the practicing of democratic values, administrative and political accountability, transparent decision-making mechanisms, transparent and incorrupt administration, and respect for the rule of law with the holders of public office being accessible to the people regardless of the latter's gender, class, ethnicity, income status, education or position in society (1999, p. 9). To Ngware, good governance assures that corruption is

minimized, the views of minorities are taken into account and the voices of the most vulnerable in society are heard in the course of decision making and implementation.

However, the World Bank and European models of good governance have faced criticism from developing countries as being exclusively derived from the Anglo-American states (Kjær, 2004, p. 139). This view of governance is discussed further in chapter seven of this dissertation. Public officials in developing countries have argued that instead of developing nations being accountable and responsible to their citizens through their elected parliaments, the governments' responsibility lies towards the donor countries or organizations, a practice I label *outward accountability*.

In the context of this study, good governance means the existence of effective institutions which are capable of managing a community's resources and affairs in a manner that is open, transparent and accountable, with respect for the rule of law. It means a system that is equitable and responsive to local people's needs. Therefore, while governance and good governance have been defined in a variety of ways with no absolute consensus among scholars, there is a certain common ground which forms the core. In short, that is, "government should be *owned* by citizens at large and be *efficient* and *effective* in meeting the economic, social and political needs of the society" (Mgonja, 2006, p. xi).

3.5 Engendering Good Governance in Tanzania

3.5.1 Overview of the Governance Initiatives

Though situated in a politically explosive region of the African continent, Tanzania has so far managed to sustain clear political stability, peace and liberty. Since its independence in 1961, Tanzania has witnessed a peaceful transfer of political power involving four presidents. As Mhina has observed, Tanzania's experimentation with both socialism and capitalism provides a very unique experience in Africa (2000, p. 431). Tanzania has also managed to introduce extensive reform programs as remedial measures for the economic crisis of the late 1970s and the 1980s. The overall purpose of the ongoing reform programs is to support the attainment of a high rate of economic growth, as well as good governance to ensure that delivery of quality services within the priority sectors conforms to public expectations for value, satisfaction and relevance (Mgonja, 2005, p. 300; 2006, p. 6).

Good governance has been SSA's main development strategy since the early 1990s, and the progress that has been made throughout the developing countries has been enormous. In direct contrast to the philosophy behind the SAPs in the 1980s, both the World Bank and the IMF now recognize that the responsibility for governance issues lies first and foremost with national authorities. In Tanzania, the government has summarized its own governance policy in the National Framework on Good Governance (1999). This framework emphasizes that good governance is critical to the success of Tanzania's wider development strategy, and employs such tactics as shifting management responsibilities and production from the state to the private sector; the

devolution of power and resources from the central government to local authorities; re-organizing ministries and other government agencies to make them more efficient and effective; and attacking financial malpractice such as corruption and fraud in the public sector. More specifically, this national framework addresses the following reform initiatives:

- Public Finance Management Reform, as one of the necessary components of good governance.
- Civil Service Reform, as an important element of good governance, especially with regard to civil service pay.
- Local Government Reform Program, as a remarkable effort to shift the locus of development-fund control to local levels of governance.
- Legal Sector Reform Program, which seeks to address the glaring gaps in applying the rule of law.
- The development of anti-corruption strategies as an important part of government policy since 1996.

This set of complex and far-reaching reform objectives was made in collaboration with development partners and is expected to have a direct impact on increasing accountability and transparency, reducing opportunities for corruption and recruiting public officials who are accountable, efficient, ethical and professional in fulfilling their roles.

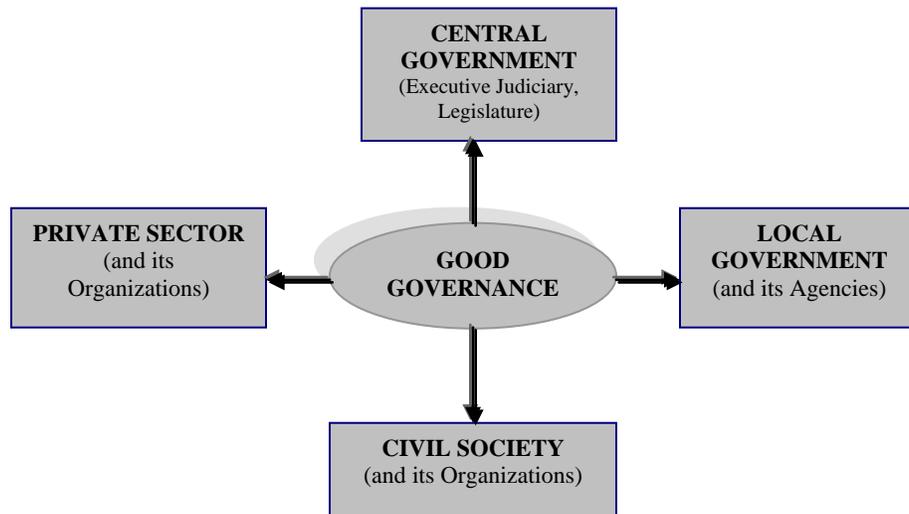
The National Framework on Good Governance (1999) states that governance comprises the mechanisms, processes and institutions through which citizens and groups articulate their interests, mediate their differences, and exercise their rights and obligations. In other words, governance in a Tanzanian perspective is the framework of rules, institutions and practices that sets limits and provides incentives for individuals, organizations and businesses. More specifically, the National Framework on Good Governance (1999) outlines the following benchmarks for good governance in Tanzania:

- A constitution that is adhered to, and which ensures both separation of powers and political stability;
- An efficient and effective legislature;
- Safety and security of persons and property;
- Accountability, transparency and integrity in the management of public affairs;
- The rule of law;
- Electoral democracy;
- Protection of human rights and freedoms;
- Efficiency in the delivery of services by public officials;
- Participation of citizens in political, economic and social decision making;
- An informed and skilled society that is aware of, and ready to legitimately defend, its rights and freedoms and to hold its governors accountable;
- Decentralization and bringing of public services closer to the end-user;

- Empowerment of local councils and communities through devolution of powers and functions, public participation and financial decentralization; and
- Promotion of gender equity and equality.

According to the principles of the National Framework, good governance has three major dimensions: political, economic and administrative/managerial. Within these dimensions, different key players exhibit the virtues assumed to foster good governance in the country. However, the national framework also recognizes the interconnectedness of the key players in governance; that there is no single thing that one player does that does not concern the other players (see Figure 3.3). Therefore, this National Framework defines governance as a *network* and *interaction* of public (governmental) and private (non-governmental) bodies that have a role to play in the formulation and implementation of public policy and the delivery of public services, an understanding of governance that is also included in the *World Development Report 1997*. In other words, good governance should encourage a wider participation in enhancing the design, supply and delivery of public goods and services through partnerships among governments, businesses and civic organizations (World Bank, 1997, p. 110).

Figure 3.3: Key Players in Good Governance in Tanzania¹³



In 1995, the government of Tanzania appointed a group of experts in consultation with the different stakeholders in the country to formulate a policy document which would serve as a blueprint for the country's development efforts. In 2000, this group came up with the Tanzania Development Vision 2025, a framework which aims to guide Tanzania's development efforts into the 21st century and to achieve a certain level of development by 2025. Vision 2025 takes into account expected changes and trends in the years ahead, with an emphasis on the kind of enabling environment that is essential for the nation to flourish economically, socially, politically and culturally. The need to formulate a new economic and social development vision for Tanzania stemmed from the unsuccessful outcomes of earlier economic reforms, especially those

¹³ From the National Framework on Good Governance (1999)

pursued in the 1980s (United Republic of Tanzania, 1995, p. iii). There are six basic goals set forth by Vision 2025: the establishment of a higher quality of life; peace, tranquillity and national unity; good governance; an educated society imbued with an ambition to develop; and an economy which is competitive with sustained growth for the benefit of all people.

Vision 2025 spells out two key prerequisites for effective realization of the vision: *good governance* and *competitiveness of the economy*. More specifically Vision 2025 states that:

Governance must be made an instrument for the promotion and realisation of development, equity, unity and peace buttressed by the rule of law and involving public participation in the war against corruption and other vices in society. Good governance must permeate the modalities of social organization, coordination and interaction for development. This can be achieved by an institutional framework which is capable of mobilizing all the capacities in society and coordinating action for development. Good governance must be cultivated by promoting the culture of accountability and by clearly specifying how incentives are provided for and related to performance and how sanctions are imposed. (United Republic of Tanzania, 2000, pp. 22-23)

Furthermore, in February 2005, the government of Tanzania approved the National Strategy for Growth and Reduction of Poverty (NSGRP; also known as MKUKUTA in Swahili) as a framework for the achievement of growth and reduction of poverty among the population. The NSGRP was informed by the aspirations of Vision 2025. In addition, the NSGRP builds on the Poverty Reduction Strategy Paper (PRSP), the Poverty Reduction Strategy (PRS) Review, the Medium Term Plan for Growth and Poverty Reduction and the Tanzania Mini-Tiger Plan 2020 (TMTP2020), which all emphasize growth momentum in order to fast-track the targets of Vision 2025 (United

Republic of Tanzania, 2005, p. 1). Within the goals of the NSGRP, governance has been included as one of the three major areas of focus, centering on economic structures and processes, such as use of public resources (financial, information and natural resources), management systems and participation in decision making (United Republic of Tanzania, 2005, p. 31). It is stated in the NSGRP that:

The National Governance Framework and specific on-going reforms including: Public Service Reform Program (PSRP), Local Government Reform Program (LGRP), Public Financial Management Reform Program (PFMRP), the Legal Sector Reform Program (LSRP) and Financial Sector Reform and sector specific reforms are among the necessary measures aimed at contributing towards good governance outcomes, improved public service delivery, better economic management, positive cultural change and democratic development. (United Republic of Tanzania, 2005, p. 32)

Both NSGRP and Vision 2025 identify poor leadership, weak administration, and a lack of accountability and transparency as key stumbling blocks to Tanzania's development strategies. Furthermore, both NSGRP and Vision 2025 emphasize the importance of improved governance in the areas of economic policies, human rights, well-functioning institutions, political participation and accountability and transparency in implementing all socio-economic activities.

3.5.2 Governance Issues and Gaps in Tanzania

While Tanzania has clearly achieved political stability since independence in 1961, this has not led overall to a higher measure of governance; there is a huge discrepancy between expectations and actual practices. The most significant and persistent gap in governance efforts in Tanzania is the lack of what I call *institutional mechanisms* needed to institute the underlined governance initiatives. For instance, the Arusha

Declaration, which outlines the equalitarian principles of socialism, was in use for more than two decades starting in 1967. However, the three “enemies” (poverty, disease and ignorance) that the government had declared war against in the 1960s are still rampant (see also Mallya, 2000, p. 2). According to the *Human Development Report 2007/2008*, in 2006 the life expectancy in Tanzania was 51 years, the adult literacy rate (ages 15 and older) was 72.0 per cent and the combined primary, secondary and tertiary gross enrolment ratio was 54.3 per cent.

As Mallya argues, the “failed” Arusha Declaration has all the objectives of Vision 2025 (2000, p. 2). For instance, the Arusha Declaration emphasizes human-centred development and the need to eradicate poverty, which is also the main agenda of Vision 2025. In other words, the Arusha Declaration aimed at a high quality of life for the population and clearly stated that in order for development to come about, there is need for “good leadership and sound policies”, which basically means good governance (see Table 3.2). While Vision 2025 argues that earlier development policies and strategies such as the Arusha Declaration were not consistent with the principles of a market-led economy and technological growth (United Republic of Tanzania, 1995, p. iii), I see “nothing new” in Vision 2025 that was not already introduced at least in spirit by the Arusha Declaration. Table 3.2 summarizes the similarities between the two.

In a similar example, Nyerere emphasized rural development as a strategy to allow local people to actively contribute to their own development (see Nyerere, 1967). The same strategy is used by the World Bank—Community-Driven Development (CDD)—an approach that gives control over planning decisions and investment resources to

community groups and local governments. CDD treats poor people as assets and partners in the development process, building on their institutions and resources (World Bank, 2002, p. 3). In fact, according to the World Bank, CDD is the most effective approach to ensuring participatory decision making and community empowerment (<http://lnweb90.worldbank.org/>). In other words, the problem with Tanzania's governance system is not a lack of sound development policies, but rather the institutional mechanisms necessary to implement those policies.

Table 3.2: Comparison between the Arusha Declaration 1967 and Vision 2025

Arusha Declaration, 1967 (Socialism-driven)	Tanzania Development Vision 2025 (Capitalism-driven)
<ul style="list-style-type: none"> • To see that the Government mobilizes all the resources of this country towards the elimination of poverty, ignorance and disease. • To see that wherever possible the Government itself directly participates in the economic development of this country. • To see that the Government actively assists in the formation and maintenance of co-operative organizations. • To see that the Government exercises effective control over the principal means of production and pursues policies which facilitate 	<ul style="list-style-type: none"> • High quality livelihood - A nation's development should be people-centred, based on sustainable and shared growth and be free from abject poverty. For Tanzania, this development means that the creation of wealth and its distribution in society must be equitable and free from inequalities and all forms of social and political relations which inhibit empowerment and effective democratic and popular participation of social groups (men and women, boys and girls, the young and old and the able-bodied and disabled persons) in society.

<p>the way to collective ownership of the resources of this country.</p>	
<ul style="list-style-type: none"> • To consolidate and maintain the independence of this country and the freedom of its people. • To see that the Government gives equal opportunity to all men and women irrespective of race, religion or status. • To safeguard the inherent dignity of the individual in accordance with the Universal Declaration of Human Rights. • To see that the Government co-operates with other states in Africa in bringing about African unity. • To see that Government works tirelessly towards world peace and security through the United Nations Organization. • To co-operate with all political parties in Africa engaged in the liberation of all Africa. 	<ul style="list-style-type: none"> • Peace, stability and unity - A nation should enjoy peace, political stability, national unity and social cohesion in an environment of democracy and political and social tolerance.
<ul style="list-style-type: none"> • To see that the Government exercises effective control over the principal means of production and 	<ul style="list-style-type: none"> • Good governance - Tanzania cherishes good governance and the rule of law in the process of creating wealth and

<p>pursues policies which facilitate the way to collective ownership of the resources of this country.</p> <ul style="list-style-type: none"> • To ensure that this country shall be governed by a democratic socialist government of the people; • To see that the Government eradicates all types of exploitation, intimidation, discrimination, bribery and corruption. 	<p>sharing benefits in society and seeks to ensure that its people are empowered with the capacity to make their leaders and public servants accountable. By 2025, good governance should have permeated the national socio-economic structure thereby ensuring a culture of accountability, rewarding good performance and effectively curbing corruption and other vices in society.</p>
<ul style="list-style-type: none"> • Education for Self-reliance. 	<ul style="list-style-type: none"> • A well educated and learning society - Tanzania envisages to be a nation whose people are ingrained with a developmental mindset and competitive spirit. These attributes are driven by education and knowledge and are critical in enabling the nation to effectively utilize knowledge in mobilizing domestic resources for assuring the provision of people's basic needs and for attaining competitiveness in the regional and global economy.
<ul style="list-style-type: none"> • To see that the Government gives equal opportunity to all men and women irrespective of race, religion or status. • To see that the Government exercises effective control over the principal means of production and pursues policies which facilitate 	<ul style="list-style-type: none"> • A competitive economy capable of producing sustainable growth and shared benefits - Tanzania should have created a strong, diversified, resilient and competitive economy which can effectively cope with the challenges of development and which can also easily and confidently adapt to

the way to collective ownership of the resources of this country.	the changing market and technological conditions in the regional and global economy.
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3.5.3 Effective Institutional Mechanism: A Missing Link

As indicated in chapter two, this dissertation explores the way in which institutions function and the overall consequences of this functioning for a country's pattern of governance. It is a shame that previous attempts at addressing poor governance in Africa have focused on the dysfunctional character of the policies which were in place (see also Masamba et al., 2004, p. 34) because the link between dysfunctional policies and the institutional mechanisms needed to implement those policies was neglected. As argued by UNESCAP in 1990, even when explicit policy statements exist in a country, their success depends on their translation into implementable policies. According to UNESCAP, this process depends largely on the type of institutional mechanisms that exists in a country and how they formulate and implement specific policies. UNESCAP defines institutional mechanisms as "formal rules, standards, and organizational or institutional structures, as well as informal norms which are in place to define and enforce the rules and policies of the government" (1990, p. 3). Institutional mechanisms are essential because they provide the government at all levels, central and local, with a framework within which to formulate and implement policies as well as to review their effectiveness.

So, what does Tanzania's experience suggest with respect to the process of promoting good governance in that country? From the empirical evidence discussed in this chapter, the discourse on engendering good governance in Tanzania (from the

post-colonial socialist system to the present capitalist system) has relied almost exclusively on policy change while neglecting institutional mechanisms. For instance, during the post-colonial Nyerere era, Tanzania had what I would call very sound policies of socialism and self-reliance, as stipulated in the Arusha Declaration. However, the institutional mechanisms available were very weak and unable to implement these policies. As Holtom has pointed out, Tanzania was a one-party state and its bureaucracy remained very weak. Moreover, power was centralized, and the bureaucracy did not emerge as a powerful independent actor (2005, p. 551). Moreover, Hyden argues, the rural development policies in Tanzania after the Arusha Declaration gave government officials opportunity to dispense a wide variety of goods and services to only those peasants who supported the party policies (1980, p. 109). Kelsall and Mmuya (2005) have noted further that even civil societies were neutralized through the ruling political system. I would therefore argue that post-colonial Tanzania failed to be developmental or progressive not because it lacked sound policies, as for instance the IMF and the World Bank have argued. I personally believe some of these policies are still valid today (see Table 3.2). The problem was rather the lack of effective or even adequate mechanisms for implementation.

The World Bank and the IMF, who saw Nyerere's socialist policies as failures, came up with an agenda for *policy change*, which consisted primarily of the structural adjustment policies (SAPs) of the early 1980s. As discussed earlier in this chapter, SAPs involved minimizing the role of government through privatizing state-owned enterprises and eliminating government regulations and interventions in the economy. Nonetheless, these policies lacked internal institutional support and had unequivocally

failed by the late 1980s. To rectify these failures, the World Bank came up with more participatory approaches to development, namely a new, dual-pronged policy proposal: governance on the one hand and the poverty reduction strategy papers (PRSPs)¹⁴ on the other. Many of the countries in SSA adopted these approaches, and in partnership with donor organizations and countries, they formulated new programs to implement them. In other words, this new paradigm of development seemingly allows developing countries to put forward their own comprehensive plans to foster good governance and poverty reduction (Cheru, 2006).¹⁵ However, here comes a central question: *Were (are) there adequate institutional mechanisms in place for these programs to succeed?*

For instance, the National Framework on Good Governance in Tanzania was led primarily by the United Nations Development Programs (UNDP) and there is clear evidence that it was undertaken more to make development partners happy than to meet Tanzania's own development priorities. While this National Framework outlines the important components of the key reforms, it has not made much of an impact since its launch in 1999. For instance, on coming to power in November 1995, former President Benjamin Mkapa appointed a commission led by former Prime Minister and First Vice-President of the United Republic of Tanzania, Judge Joseph Warioba, to assess the laws, regulations, procedures and modes of operation in the government and parastatal sectors, and to suggest ways of plugging loopholes and curbing the increase in corruption in the country. In 1996, the commission produced the highly regarded "Warioba report", which served as an inventory of corruption in Tanzania.

¹⁴ Note that this dissertation focuses only on governance and not poverty reduction strategy papers (PRSPs).

¹⁵ A number of these "good-looking" programs in Tanzania are outlined in previous parts of this chapter.

According to the Warioba report, corruption in Tanzania was systemic and fuelled by the weakness of state organs like the government offices, police, anticorruption bureau, and state security service. The report states that the police force ranks first in terms of level of corruption, adding that corruption was deep-rooted through the entire hierarchy of the force at the time of publication. The report also indicated that in all courts, from the primary court to the highest in the country, magistrates and judges were riddled with corruption. According to the report, judgments were written in the streets and in advance, without even giving a hearing to the disputing parties. The Warioba report recommended that the government start the fight against corruption by cleaning out top leadership ranks and keeping only good leaders who believe in and respect ethical standards. Furthermore, this report recommended that corrupt officials be severely punished by nationalizing and forfeiting their property in accordance with the law. However, the high standards of the Warioba report posed a major challenge for President Mkapa—after all, he had to find a way to fight corruption by using the corrupt state institutions themselves (Visram, 1997).

Although the report produced detailed evidence of corruption in the country, hardly any of the disciplinary and legal measures suggested were undertaken against those who were implicated in the report, including ministers and members of former President Mwinyi's family. The report also offers practical solutions, but again, most of these were never implemented. Conversely, the report led to the adoption of "new strategies," including a comprehensive National Anti-Corruption Strategy and Action Plan (NACSAP) and the establishment of the Commission for Ethics to administer and enquire into senior public appointees' declarations of assets, and make

recommendations to the president.¹⁶ Furthermore, this report led to the appointment of a good governance minister¹⁷ who would be responsible for monitoring the overall strategy and implementation of anti-corruption measures in the country. While externally Tanzania has been perceived as a governance role model for other East African countries, internally corruption was and is still institutionalized in every sector. In his address to the *Fourth International Investors' Round Table (IRT) Meeting* in Dar es Salaam, President Mkapa said:

We have persisted in our resolute struggle against corruption, including through rolling out plans to combat corruption; the establishment of anti-corruption bureaus at the district level; and enhanced accountability for resources transferred from the central government to the district level. Tanzania's efforts in fighting corruption are starting to win international recognition (November 23, 2004).

While President Mkapa assumed power with a high-profile drive against corruption and financial malpractice, corruption remained the major challenge of his presidency. The Controller and Auditor General's report has estimated that no less than 20 per cent of the government budget is lost annually to corruption, theft and fraud (URT, 2008, p. 146). Recent scandals have involved former senior ministers, diplomats and political leaders from the ruling party (Daily News, 2009). The most prominent scandal involved Tanzania's central bank, as an independent international audit revealed that more than US\$120 million had been improperly paid to several local companies, many of them allegedly fictitious. As a result, the governor of the central bank, the late Daudi

¹⁶ Note that, having been elected on an anti-corruption platform and having promised action, within one year of taking power, President Mkapa had declared his own and his wife's assets publically. But with the exception of his prime minister and vice-president, no other leader has followed suit and the people had been left wondering if the war against corruption is running out of steam (see Visram, 1997). To his credit, President Mkapa left power in 2005 without declaring any asset he earned since he assumed office in October 1995.

¹⁷ This ministry is pure "hypnosis", designed to convince people that good governance exists. In reality, the ministry has not done anything to improve conditions.

Ballali, was fired in January 2008 (Luhanjo, 2008). In fact, former President Mkapa himself and his ex-energy and minerals minister have been heavily implicated by the parliament in allegations of abuse of public office and conflicts of interest for their dubious involvement in the 2005 Kiwira mine privatization (see Daily Nation, 2009; www.parliament.go.tz).

Following in the footsteps of his predecessor, when the current President Jakaya Kikwete came to power in December 2005, he renewed the country's commitment to fighting corruption at all levels of government. However, the integrity of his government and its commitment to the issue has been seriously questioned. This is due to the extent of petty corruption within the country and also grand corruption scandals involving ministers and leading members of his ruling party. Following investigations by the Parliamentary Special Committee, Kikwete's very close friend and Prime Minister Edward Lowassa, in addition to two other ministers, were forced to resign in February 2008 (see www.parliament.go.tz). Their resignations, which prompted the dissolution of the entire cabinet, were due to their involvement in granting a large contract to an American-based company in which they had personal interests. Although quick actions were taken, these scandals lessened public confidence in the governance framework and the government's overall commitment to effectively tackle corruption. According to Research and Education for Democracy in Tanzania (REDET) of the University of Dar es Salaam, the level of public dissatisfaction with President Kikwete's government in his first two-and-a-half years in power is much higher than during his predecessor, Benjamin Mkapa's, 10-year reign. The report indicates that, whereas during the Mkapa administration from 1995 to 2005 there were between 18

and 25 public complaints over lack of accountability by government officials, under President Kikwete, this had risen to 34 (REDET, 2006). Moreover, on September 9, 2009, a number of citizens from across the country shared their concerns with President Kikwete on the integrity of his government in dealing with ongoing grand corruption scandals.¹⁸

Without question, growth and development in Africa cannot be achieved in the absence of good governance. However, as indicated in this section, the primary consequence of poor governance in Africa has been an inability and lack of willingness from the state to provide the vital institutional framework to support good governance. As Kempe Hope (2005) has argued, for good governance to prevail there must be effective institutional mechanisms that ensure accountability through the capacity to monitor and enforce rules and to regulate economic activities in the public interest.

3.6 Conclusion and the Way Forward

As we have seen in this chapter, governance issues are not new to the countries of SSA, as the World Bank's 1989 report, *From Crisis to Sustainable Growth*, would seem to suggest. This chapter has demonstrated that there have been consistent challenges to government's effectiveness and institutional mechanisms in SSA since the independence era in the early 1960s. This long-standing institutional pattern of established behaviours seems to be at odds with "good" governance.

¹⁸ President Kikwete was responding to questions from citizens live on the Tanzania Broadcasting Corporation (TBC).

As pointed out by the African Development Bank (ADB) in 2008, African countries can only reach their potential by fostering better governance as a means to accelerate economic growth and reduce poverty. Therefore, while a number of responses both from within and outside the continent are underway, considerable challenges remain in the area of strengthening the institutions of governance. Effective institutional mechanisms, if properly implemented, will eventually contribute to capable states, engaged civil societies and improved accountability and transparency at all levels of government.

The remainder of the dissertation moves from this general theoretical and empirical discussion on governance and institutions to a more specific case analysis of the local governance system in Tanzania. Throughout the rest of my dissertation my basic assumption will be this: To understand local governance system in Tanzania, it is necessary to consider the processes of governance and the implications of those processes for the functioning of local institutions. More specifically, chapter four will delineate methodological approaches used in my field work (in Tanzania) to address various aspects of the processes of governance and their implications for the functioning of LGAs. Based on field research findings, chapters five, six and seven will develop a detailed analytical discussion to test my central hypothesis: an effective institutional framework is vital for achieving sustainable good governance in Africa.

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CHAPTER FOUR

RESEARCH METHODOLOGY

4.1 Introduction

Research methodology is a way to systematically address the research problem. It indicates the practical ways in which the whole research project has been organized (Oliver, 2004, p. 120) and reveals the various steps that are generally adopted in studying the research problem, along with the logic behind them (Kothari, 1992). Most scholars craft a research methodology so as to increase their confidence that the conclusions they make about the social and political world are valid. The most important of these conclusions are those concerning causal relationships where the object of a methodology is to increase confidence in claims that one variable or event, *x*, exerts a causal effect on another, *y* (see Hall, 2003, p. 373). As previously described in Chapters Two and Three, institutional analysis is used in this study to explore the causal relationships between institutions and governance. The major hypothesis guiding this dissertation is that an effective institutional framework is vital for achieving sustainable good governance in Africa.

This chapter, therefore, provides details of the methodology and fieldwork undertaken in this study. It is subdivided into the following sections: (i) research design, (ii) area of study, (iii) data collection methods, (iv) target population, (v) sample and sampling methods, (vi) data analysis, (vii) ethical considerations, (viii) limitations of the study, and (ix) summary and conclusion.

4.2 Research Design

In this study, I have used documentary research to identify fundamental problems in local governance in Tanzania. To address the goals of this study, I selected a few of these problems, common to all local government authorities (LGAs), as the foci of research. Secondly, in order to explore the relationship between the selected problems and the institutional framework, a case study approach has been employed.

The *case study approach* is a popular form of research design that is widely used throughout the social sciences and, according to Burnham et al., case studies enable comparative researchers to focus on a single individual, group, community, event, policy area or institution, and study it in depth (2004, p. 53). Burnham et al. argue further that, although the case study approach can be used for both quantitative and qualitative data collection, it tends to be more qualitatively focused because it generates a wealth of data relating to one specific case. Yin defines the case study approach as an empirical inquiry that investigates a contemporary phenomenon within its real-life context, especially when the boundaries between phenomenon and context are not clearly evident and in which multiple sources of evidence are used (1984, p. 23).

However, one disadvantage of using case studies in the social sciences is that a single case study often provides little basis for creating new generalizations, nor does it provide grounds for invalidating existing generalizations (Axline, 1994). The group studied may be unique, and the observer may be biased in his or her perceptions. Similarly, hypotheses can rarely be put to an objective test, and in some cases the analysis may not rise above mere description. So, being aware of these limitations, I

had to carefully work on the case selections as discussed in the next section. Moreover, as Burnham et al. had advised, I made sure that the institutional theoretical dimension which guides this study was incorporated into each of the selected cases through a clearly defined hypothesis (2004, p. 54). As Yin suggested, I considered multiple sources of data for this study in order to avoid the fallacy of hasty generalization (1984, p. 23). These included document examination, the gathering and study of governmental documents such as administrative reports, reform agendas, minutes, and news related to local governance in Tanzania.

4.3 Area of Study

Although the United Republic of Tanzania is a unitary republic, its local government system in Tanzania is a non-union matter. Nevertheless, the structure of local government is clearly set forth in both the union constitution and the constitution of Zanzibar. For the purpose of this dissertation, I focus only on the Tanzania mainland (here referred to as Tanzania). Tanzania has 133 widely diverse LGAs, and it was not possible to study all of these units. Consequently it was necessary to choose and, as Burnham et al. have noted, *case selection* requires very special attention because the quality of any research depends much on what cases are included in a study.

Cases simply mean *how many* and *which*. This study covers four specifically selected LGAs: two Municipal Councils (MCs) and two District Councils (DCs). The cases decided upon for this study include Arusha Municipal Council, Temeke Municipal Council, Same District Council and Mvomero District Council. These four cases were selected using the principle of *most different systems design* (MDSD); that

is, by taking into consideration variations in socioeconomic bases, rural–urban variations, and the degree of inclusion of each LGA in the local government reform program (LGRP).

Notwithstanding the focus on these four cases, any relevant information from other LGAs that might enhance the findings and discussion of this study were also taken into consideration. The reason for doing this is that a case study implies that a researcher must not only conduct *intensive* (highly focused) research on the primary case, but must also carry out *extensive* (broadly-based) research on a range of other relevant cases (Lim, 2006, p. 50).

Arusha Municipal Council – Arusha Urban is one of the six districts of Arusha Region of Tanzania. The other districts are Arusha Rural, Meru, Monduli, Karatu and Ngorongoro. According to the population census of 2002, Arusha MC has a population of 282,712, with an average of 3.9 people per household (URT, 2002).

Same District Council – Same is one of the seven districts of the Kilimanjaro Region of Tanzania. The other districts include Mwangi, Rombo, Moshi Rural, Moshi Urban, Hai and Siha. According to the population census of 2002, Same District has a population of about 212,325, with an average of 4.8 people per household (URT, 2002).

Temeke Municipal Council – Temeke District is one of the three districts of Dar es Salaam, Tanzania. The other districts are Kinondoni and Ilala. According to the population census of 2002, Temeke District has a population of 768,451, with an average of 4.1 people per household (URT, 2002).

Mvomero District Council – Mvomero is a recently established district and it is among the six districts of the Morogoro region of Tanzania. The other districts include Kilosa, Kilombero, Morogoro Rural, Morogoro Urban and Ulanga. According to the population census of 2002, Mvomero District has a population of 260,525, with an average of 4.6 people per household (URT, 2002).

Table 4.1: Profiles of the Four Case LGAs¹⁹

Council	Region	Population (2002)	Major Economic Sectors	Part of Phase 1 of the LGRP
Arusha MC	Arusha	282,712	Services, trade, tourism, manufacturing, agriculture	Group 1
Same DC	Kilimanjaro	212,325	Agriculture	Group 2
Temeke MC	Dar es Salaam	768,451	Services, trade, manufacturing, agriculture	Group 1
Mvomero DC	Morogoro	260, 525	Agriculture	Group 2

Apart from the four locations shown above, I also travelled to Dodoma, the official capital of Tanzania, where the Prime Minister’s Office-Regional Administration and Local Government (PMO-RALG) is located. Additionally, I travelled to Dar es Salaam City, which is the principal commercial city in Tanzania and the *de facto* seat of most government institutions, embassies and international organizations.

4.4 Data Collection Methods

¹⁹ Data from various Tanzanian Government documents.

Research methodology consists of the techniques used for making observations about causal relations (Hall, 2003). The findings of this study are based both on a broad range of interviews with local government stakeholders and a study of existing literature on institutions, governance and local government in Tanzania. Prior to the actual exercise of collecting data, a pilot study with two respondents was conducted to pre-test the research instruments and assess the feasibility of the study. According to Maxwell, pilot studies are particularly important in qualitative research because they generate an understanding of the concepts and theories held by the people being studied (1996, p. 45). The actual data collection was done between June and August 2009, and the data consist primarily of interviews and documentary evidence. The interviews were open-ended, based on a set of questions (see Appendix 1).

4.5 Target Population

The target population or main unit of inquiry was comprised of councillors, local bureaucrats and other stakeholders. In addition, interviews with officials in the ministry of the central government responsible for local governments (PMO-RALG) were also conducted. Since the researcher is a public official in Tanzania, he was also able to obtain excellent access to governmental data and documents, including official and unofficial reports, circulars, position papers and so forth.

4.6 Sample and Sampling Methods

The study's sample size was 44 respondents, as indicated in Table 4.2. An exact sample size could not be predetermined at the time of planning because of lack of a sampling frame. But even if a sampling frame could have been available, given that this study relies heavily on key informant interviews, determining a precise sample size would probably not have been necessary. Therefore, informants for this study were selected according to the principles of purposeful sampling, with the aim of selecting informants who were likely to be information-rich with respect to the purposes and objectives of the study (Gall et al., 1996, p. 218). The purposeful sampling exercise was greatly facilitated by heads of department or units and district executive directors (DEDs) who had knowledge of which individuals would make appropriate key informants for the in-depth interviews.

Table 4.2: The Sample Size

Institution visited	Location	Who was interviewed	Interviewees earmarked	Total number interviewed
Arusha MC	Arusha	Councillors Bureaucrats Ward Executive Officers	1 10 1	12
Same DC	Same	Councillors Bureaucrats Other political leaders	1 2 2	5
Temeke MC	Dar es Salaam	Councillors Bureaucrats Ward Executive Officers	2 1 2	5
Mvomero DC	Mvomero	Councillors Bureaucrats Ward Executive Officers Village Executive Officers	3 3 2 5	13
Dar es Salaam Regional Office	Dar es Salaam	Local government specialist	1	1
Centre for Local Government Studies – Mzumbe University	Mzumbe	Trainers and Consultants	4	4
Prime Minister’s Office – Regional Administration and Local Government	Dodoma	Bureaucrats	3	3
Japan International Cooperation Agency – Tanzania Office	Dar es Salaam	Local government expert	1	1
TOTAL				44

4.7 Data Analysis

Data were analyzed qualitatively using content and discourse data analysis. That is, data collected from various sources were edited and analyzed to ensure that each question received an answer, whether positive or negative. The data were analyzed and classified into categories, and are presented descriptively within this dissertation using quotations, tables, and graphs.

4.8 Ethical Considerations

Ethical dilemmas that surface during fieldwork may often pose unique challenges to the researcher (note Qudsiya Contractor, 2008). However, to meet the requirements of the University of Alberta Research Ethics Board (REB), standard ethical safeguards had carefully to be observed in this study. Prior to my field trip to Tanzania, I obtained an ethical review and approval from the REB and, in accordance with the REB's requirements; I paid serious attention to the following ethical matters:

Sampling – Prior to starting my research, I had to obtain an introduction letter from Mzumbe University in Tanzania, where I am employed as a lecturer. Thereafter, I contacted the heads of each department or unit that I wanted to visit for interviews. I shared the objectives of my research with them, why I had selected their departments or units in relation to the objectives of my study, the risks involved (basically no risk to them) and I asked them to propose/provide me with potential informants.

Interviews – The interviews were face to face, about one hour long, and were not taped. I did not attempt to conduct any group interviews or focus-group discussions. After each interview, I shared with each participant a full transcript of her or his

responses. Most of my interviews took place in workplaces. However, I was sensitive to the participants' needs. Therefore, when I talked to them I was clear that I would meet with them in any place they felt comfortable, at a time convenient to them.

Consent – Participants were informed about the nature and objective of the study prior to their participation. They were informed that participation was voluntary. Since consent was given verbally, participants were informed that they could withdraw from the study at any time before, during or after the interview. If participants decided to withdraw from the study, then any data provided by them would be destroyed immediately. However, none of my respondents withdrew. Participants were also informed that the research was not an evaluation of any one person or organization. Thus, they could choose not to respond to any of the questions if they so wished. Quotations from participants are confidential and anonymous, as outlined below. In the case that participants might want the opportunity to review quotes for accuracy before publication of the research report, they were free to provide their e-mail addresses so that the final draft of the document could be sent to them for review.

Confidentiality/Anonymity – I assured participants that I would strictly observe the confidentiality of the data. With respect to anonymity of participants, real names were not used. During my travel back to Canada, data were stored in a secured and locked bag. Upon my arrival to Canada and subsequent dissertation writing, the only people with access to the raw data were the principal researcher (myself) and the faculty supervisor, Dr. James Lightbody, if he so wanted.

Data Storage – I ensured the security of the raw data by keeping all materials pertaining to my interviews and any other confidential sources under lock and key, to be destroyed after the dissemination of my research findings.

Risk and Harm – Prior to the interview, I explained the study to each participant and also why she/he was selected. I made sure that all participants understood the process and that there was no risk or harm for them in participating in this study. Moreover, I informed them that there were no direct benefits (monetary or otherwise) for participants; however, their effort and time would be greatly appreciated. I explained to my respondents that their contributions to this research would be beneficial in suggesting practical insights into the actual institutional functioning of the local governance system in Tanzania.

Since the researcher is from Tanzania, there were no particular risks or safety concerns to the researcher that might be associated with travelling in Tanzania. As the researcher is an employee of Mzumbe University in Tanzania, one of Tanzania's public universities any unfortunate incidents (e.g. accidents, illness, etc.) would have been met with normal health insurance procedures.

4.9 Limitations of the Study

This study faced a number of setbacks. In some cases, I did not receive the cooperation I had expected. For instance, there were a number of offices to which I was referred as potential sources of information, but which ended up being inaccessible to me. Moreover, since I did not have any funding for this research, it was not financially

possible for me to spend extra time waiting for certain key individuals who were absent from their places of employment at the time of my field trip. This resulted in the need to interview certain people who were perhaps not the most ideal sources. Nevertheless, I tried as well as I could to fill any gaps by having more detailed interviews with those with whom I did meet. Lastly, as Contractor (2008) has pointed out, one of the key issues in fieldwork is the extent of involvement and detachment between the researchers and the researched. There were a number of people who wanted some form of compensation for their participation in the interview. Obviously, because of the limited funds available for this study and ethical reasons, I had to exclude them.

4.10 Summary and Conclusion

By and large, my field trip to Tanzania was academically inspiring and revealed to me the importance of research fieldwork in any intellectual enquiry. Crick has argued that fieldwork is the very foundation of social science researches (1989, p. 24); it serves as a dynamic process whereby there is an exchange between the researcher, participants, stakeholders, and the larger socio-political context in which the research problem is located (Contractor, 2008). From my experience in Tanzania, I did learn how fieldwork brings the researcher closer to the subject of inquiry. Hence, through my fieldwork in Tanzania, I was able to clearly link the new institutional theory in political science to the empirical practice of Tanzania's local governance system. In the following two chapters, I will discuss findings from my fieldwork in Tanzania. Both Chapters Five and Six provide a detailed content and discourse analysis of the institutional architecture of the local governance system in Tanzania.

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CHAPTER FIVE

THE HISTORICAL CONTEXT OF THE LOCAL GOVERNANCE SYSTEM IN TANZANIA

5.1 Introduction

The pattern for the local governance system found in most African countries is derived from traditional local institutions, usually imposed during the colonial experience, and further moulded by subsequent political developments (Shotton, 1997). While this dissertation focuses primarily on the present state of the local governance system in Tanzania, there are two reasons why a review of the historical context of the local governance system is essential.

First, as I have argued in Chapter Two, in order to understand the context of the success or failure of the modern local governance system in Tanzania, one must have a complete picture of the historical development of the local institutions and of how the original and distinctive culture, trends, and problems coloured the emergence and evolution of local government authorities (LGAs). The second reason is to be able to reflect upon one of the methods of analysis in this dissertation, historical institutionalism, which emphasizes *path dependence*. A path dependence analysis provides a detailed account of the structure of the local governance system in Tanzania from its origins in local traditions through its subsequent alterations over time.

More specifically, the historical overview of the local governance in Tanzania deepens our understanding of the structure and role of local institutions in political and

social life. An important assumption underlying this historical analysis is that, “institutions emerge from and are sustained by features of the broader political and social context” (Thelen, 1999, p. 384).

This chapter begins by exploring the meaning of local government and then provides a comprehensive analysis of the historical context of the local governance system of Tanzania from the pre-colonial era. In a similar vein of path dependency, I will examine the process of decentralization in Tanzania as a whole to see how it facilitates or hinders good local governance. This analysis covers three different eras of decentralization, which are as follows: *Madaraka Mikoani* (1972–1984), re-instatement of local authorities (1984–2000) and the Local Government Reform Program (2000–2008). In this section, I review selected literature on decentralization in Tanzania, in order to explore the main objectives of the decentralization process and the reasons for the shift in policy emphasis from centralization to decentralization. This part of the analysis incorporates and discusses responses from the interviewees from my field work in Tanzania. I also look at some challenges that have been encountered in this process of decentralization in Tanzania.

Nevertheless, this chapter does not provide a comprehensive review of Tanzania’s history but instead focuses on the history of local governance in the country in order to understand different ways in which “history matters” in explaining current institutional phenomena. Tracing these developmental paths in local governance in Tanzania explores the truth about the changing configurations of governance systems as well as the varying degrees of institutional structure over time. On the whole, institutional

analysis based empirically on the historical experiences of governance gives prominence to government ability and political will to entrench good governance in the country.

5.2 Definition of Local Government

Local government is part of Tanzania's system of government as a whole and has a fundamental constitutional significance (Hollis, Ham, & Ambler, 1992). In general, local government can be defined as the sub-national, semiautonomous, or subsidiary level of central government that is closest to the people, with responsibility for serving political and material needs of people and communities in a specified local area.

In *Local Government in Canada*, for example, Richard and Susan Tindal (2004) have defined local government as a corporation: a legal device that allows residents of a specific geographic area to provide services that are of common interest. They also describe local government as a democratic institution, governed by an elected council that exists as a vehicle through which local citizens can identify and address their collective concerns. This conception of local government is strikingly similar to Warioba's (1999), in which he has defined local government as that part of the government of a country that operates on a local level, functioning through a representative organ known as a council, and established by law to exercise specific powers within a defined area of jurisdiction.

In a nutshell, local government is characterized by its corporate nature, defined geographical boundaries, having an elected council and its authority to wield power to address local issues (Tindal & Tindal, 2004). At the core of most definitions is the

assumption that LGAs as units of the governance system do not depend hierarchically on the central government administration for those local functions that they have the power to exercise in at least a partially autonomous manner.

5.3 Historical Analysis of the Local Governance System in Tanzania

In Tanzania (formerly Tanganyika), the foundations of governance and structure at the local level are derived from the pre-colonial, colonial and post-independence eras and have been altered over time to fit the needs and aspirations of the citizens. As stated earlier in this chapter, this historical trend of local governance in Tanzania gives us an understanding of the institutional evolution and path dependency that has shaped the current state of local governance in Tanzania.

5.3.1 The Pre-colonial Era (Before 1884)

Before the advent of colonialism, various tribes or clans in Tanzania practiced some kind of self-rule without having any formal written laws or regulations (Max, 1991). Local governance in the pre-colonial era was truly local in the sense that there was no centralized system (Shivji & Peter, 2003).

In many Tanzanian societies there was a recognized hereditary leadership in the form of a Chief. Local issues and representation were realized through elders' councils, which carried different names depending on the locality. These elders' councils were used to deliberate on important matters affecting society's security and welfare, such as a threat from another tribe, the outbreak of serious disease or famine, environmental conservation, the depredations of wild animals, etcetera. Decisions reached by the

elders' councils were final and conclusive and were to be upheld and carried out by every person within the council's jurisdiction (United Republic of Tanzania, n.d.).

5.3.2 The Colonial Era (1884–1961)

The colonial era in Tanzania is divided into two consecutive phases of German and British rule. The Germans ruled Tanganyika from 1884 to 1917 and then surrendered it to the British. Although German rule was predominantly direct in style, the Germans attempted to introduce local administration into most parts of the country. For instance, in 1908–1909 there was a discussion on the establishment of town councils in German East Africa, which resulted in the creation of municipal councils under the Order of the Imperial Chancellor of 1910 (United Republic of Tanzania, n.d.).

The management of municipal administration was under the jurisdiction of a district commissioner, but also included six elected members and two members appointed by the Governor. These municipal councils had various duties, including the upkeep of roads and public spaces; supplying water, street lighting and cleaning; garbage disposal; and school maintenance. However, by the end of German colonial period in 1917, only two towns, Dar es Salaam and Tanga, had acquired municipal status under the 1910 German Order (United Republic of Tanzania, n.d.).

Both the United Republic of Tanzania (n.d.) document and Shivji and Peter (2003) point out some major institutional challenges under the German local governance system. As argued in the United Republic of Tanzania document, local authorities were limited to key urban areas and were designed to meet the interests of the colonists.

Native forms of leadership were replaced by direct rule by the colonial government and the indigenous population was largely excluded from the local governance system (n.d.). Moreover, the local governance system was highly centralized, to the extent that local rulers were not given any specific role to perform (Shivji & Peter, 2003).

The British assumed the administration of Tanganyika from the Germans as a territory entrusted to them on behalf of the League of Nations. Initially, the British adopted some administrative processes set up by the Germans, such as the provincial and district boundaries established under German rule. However, the administrative and governance processes of the British were not compatible with those of the Germans.

In 1926, the Tanganyika Legislative Council passed the Native Authority Ordinance, Caption 72 section 8, which recognized traditional chiefs as the rulers of their natives or tribes. This kind of administration is best described as *indirect rule*—that is, ruling the territory through local chiefs (United Republic of Tanzania, n.d.; Shivji and Peter, 2003; Max, 1991). This system was introduced by Governor Sir Donald Cameron, who governed Tanganyika from 1925 to 1931. The chiefs were empowered to exercise some administrative, executive and judicial powers in the area of their jurisdiction. Furthermore, the local people expressed their views to the government through their chiefs, who were closer to the government than the ordinary people. As such, native authorities remained very dormant and there was no popular participation as the system of governance was run entirely in a top-down manner (United Republic of Tanzania, n.d.; Shivji and Peter, 2003). Furthermore, the chiefs

were groomed in such a way as to sustain the colonial government (United Republic of Tanzania, n.d.).

In 1946, the Municipalities Ordinance (Caption 105) was passed, and in 1949, Dar es Salaam became the first municipality in mainland Tanzania. The municipality was empowered to make bylaws and to impose rates on property and fees on business undertakings. It was also entitled to receive government grants to ensure that services or functions delegated to it, such as health, roads, fire fighting, primary education for Africans and other needs were adequately financed. However, the municipalities were established principally to serve the interests of colonists and expatriate non-officials, especially traders, at the expense of the indigenous people (United Republic of Tanzania, n.d.). Africans were generally unwanted in urban areas and their interests were only addressed as an “afterthought” once the interests of Europeans and Asians had been taken care of (United Republic of Tanzania, n.d.).

Following World War II, pressure for self-governance mounted in many parts of the colonized states. The United Nations instructed the British government to train and recruit local inhabitants for government services. Responding to this call, the British Secretary of State for the Colonies, Arthur Creech Jones, issued an instruction to British colonies to see to it that a democratic and efficient system of local government was set up. Therefore, the colonial government in Tanzania amended the Native Authority Ordinances in 1950 to form Chief-in-council’s Advisory Committees. On the recommendation of the chiefs, the district commissioners were allowed to appoint ordinary citizens to serve as members of these committees. This amendment vested

power to the councils; chiefs could no longer make decisions without the approval of their councils (Max, 1991; United Republic of Tanzania, n.d.). Moreover, another provision was incorporated in the 1950 amendment, which empowered the governor to declare a native authority, or more than one native authority, to be a body or bodies corporate with perpetual succession, capable of suing and being sued.

However, there were major institutional challenges facing the British local governance system. Max (1991) has argued that, in spite of the major constitutional changes, the new councils and native authorities remained unrepresentative of the people and still did not have power over non-Africans living in their jurisdictions. Moreover, the district commissioners continued to maintain tight control over the activities of native authorities, partly because the councils and most of the chiefs were illiterate and unable to prepare appropriate plans for their jurisdictions.

In 1953, the Local Government Ordinance (Caption 333) was passed to replace the Native Authority Ordinance (Caption 72). This was done because both the principal legislation (the Native Ordinance) of 1926 and its amendment of 1950 had no provisions to grant the native authorities power over non-Africans residing in their areas. The new Ordinance made it clear that the function of the Council shall be exercisable in respect of all persons in the area under its jurisdiction. However, the question of free elections to local councils remained unresolved (Max, 1991). The then British Governor Sir Edward Twining introduced a tripartite voting system based on race: elections to local councils required every eligible voter to vote for three candidates in each constituency, an African, a European and an Asian. Despite

opposition to this policy from the newly formed nationalist party, Tanganyika African National Union (TANU), inclusive elected councils did not emerge until after independence (Shivji and Peter, 2003).

5.4 Local Governance System after Independence: Going Local?

After independence in 1961, the Tanzanian mainland inherited its governance system from its colonial predecessor—its colonial legacy—and used the system as a tool for bringing about development through democratic means and consolidated nationalism (see Max, 1991). Due to high public expectations from the newly independent state, local authorities in Tanzania worked under difficult circumstances, with very limited resources for bringing the expected development to the local people (United Republic of Tanzania, n.d.). Max had noted that, “at the time of independence there were very few institutions which could have been used by such a young nation to meet the aspirations of the people—rapid development—and this is why it was only reasonable to adopt existing colonial institutions for that purpose” (1991, p. 26). While this served as a temporary solution to the local development, there was a problem of national integration which arose from those colonial institutions, especially disobedience and a lack of loyalty from the old chiefs toward the new government (Engel, Erdmann, & Mehler, 2000).

5.4.1 The “First Wave” of Decentralization (1962–1972)

In 1962, the post-independence government revised Caption 333 to repeal the Native Authority Ordinance and decided to abolish chiefdoms in order to provide for a

democratic and inclusive local governance system. As part of the decentralization process, the government formed Village Development Committees (VDCs) and District Development Committees (DDCs) in 1963 in order to establish greater participation and administrative control at the local level. These committees were set up on instruction from the Ministry of Local Government and the Administration Circular, No. 20 of 1963. VDCs and DDCs were informal bodies whose purpose was to plan and coordinate various development programs in the local level—districts and villages—and to mobilize the people in the execution of projects on a self-help basis.

More specifically, the VDCs were to identify and draw up priority lists of feasible projects in their villages for submission to DDCs. However, as Warioba (1999) has noted, these committees were highly constrained in the sense that they did not have an executive arm for implementing their decisions; these were left to technical departments over which the committees had no official control. Moreover, in some locales the implementation of decisions relied heavily on the personality and whims of the regional and area commissioners (Warioba, 1999). Therefore, in both governance and development, the approach remained top-down and managerial as opposed to bottom-up and participatory (see also Shivji & Peter, 2003).

In 1966, the DDCs were enshrined in law by Act, No. 48, which renamed them the District Development and Planning Committees (DDPCs). The DDPCs were responsible for scrutinizing annual development plans and supervising their implementation. Moreover, DDPCs were the chief decision making bodies at the district level. Each DDPC was made up of one quarter of the elected councillors (no

less than ten), the area commissioner and the district development director (chair and secretary of the body respectively). Other members of this body included the local Members of Parliament (MPs) as well as staff and functional officers from the district team. Clearly, as Picard (1980) pointed out, one of the shortcomings of this arrangement was that the majority of members were appointed and not democratically elected.

At the same time, the government abolished VDCs and established Ward Development Committees (WDCs) in their place, under the Ward Development Committees Act, No. 6 of 1969. The new WDCs were to assume responsibility for initiating development schemes within their areas. The jurisdiction of the WDCs was extended to include responsibility over agricultural and pastoral development, roads and highways, social service buildings, industries and construction of public utilities. Nevertheless, Jennings (2003) had argued that WDCs tightened control over village-level structures; thus, the basic unit of development was again moved a step away from the people. Moreover, since members of WDCs were to be appointed by ministerial direction, local initiatives in development were subjugated to increased state control. Eventually, the net effect of the new WDCs was to further exclude people—from the middle class through to poor peasants—from debates on local issues (Jennings, 2003).

In 1967, the Tanzanian government attempted to implement a nationwide system of cooperative villages commonly known as *Ujamaa* villages. This idea of *Ujamaa* villages was partially a response to the increased centralization that had occurred throughout the 1960s (Picard, 1980) as well as the Arusha Declaration's understanding

that what needed to be developed was people, not things, and that people can develop themselves (see Chapter Three for further discussion).

The purpose of *Ujamaa* villages was to transform the pattern of rural settlement by congregating the rural population, which previously had been resident predominantly on dispersed family smallholdings into nucleated villages of sufficient size to be efficient units for the delivery of services (see also Arkadie, 1995). In his decision to establish *Ujamaa* villages, President Nyerere insisted that the establishment of such villages had to be done with the full and active cooperation of the peasants (Picard, 1980). Nyerere's purpose was to replace individual farms with a network of village communities in which land should be collectively held and production collectively organized (Wu, 2006).

By and large, the implementation of *Ujamaa* villages continued to be more rather than less centralized and increasingly marked by coerced collectivization rather than voluntary movement into these villages (Freyhold, 1979; Picard, 1980). Picard (1980) has noted that the *Ujamaa* villages had contradictory effects on the administrative system: while in theory the *Ujamaa* villages were designed to increase local participation and decision making, control over these villages continued to be largely directed from the centre in Dar es Salaam, with increased central bureaucratic control over the districts and sub-district levels of society.

All in all, there were a number of institutional weaknesses in the post-independence local governance system. There were high expectations from the people regarding the newly independent government but local resources (both human and financial) were

inadequate to meet those expectations (United Republic of Tanzania, n.d.). Moreover, local authorities were accused of mismanagement of the funds collected through local means as well as of grants from the central government. Furthermore, the relationship between LGA staff and councillors was always tense. As such, councillors became reluctant to take part in campaigns for tax collection (United Republic of Tanzania, n.d.). As well, financially impoverished councillors were dependent on sitting allowances for their income and would thus have many unnecessary meetings. They would hold meetings which were indecisive, would blur distinctions between the responsibilities of councillors and officials, would demand special treatment such as offices and vehicles for their personal use and would engage in shady deals when it came to awarding contracts. Historical institutionalism in this case helps us to understand the extent to which actors turn to established routines or familiar patterns of behaviour to attain their purposes. In December 1968, President Nyerere complained of a lack of efficiency and effectiveness in the LGAs:

Unfortunately things are not going so well as regards Local Government. At first we thought that the reason was the shortage of good and experienced local government employees, and in the last few years we have made great efforts to send more educated and better qualified people into the Local Government Service. This has reduced the problem. But in some places good Local Government workers are unable to do their work because of interference and intrigue by the councillors. (Nyerere, 1973, p. 72)

Eventually, LGAs were deemed to be ineffective, and, with the entire local government system on the verge of collapse, LGAs were abolished on June 30, 1972, to be replaced by a system of central control of local administrative units (the regions and the districts). This system is the subject of the next section.

5.4.2 The Period of Decentralization by Deconcentration (1972–1984)

Following the Arusha Declaration in 1967, the country's policies of socialism and self-reliance strengthened central government rather than the local units of government. In 1972, the government of Tanzania passed the Decentralization of Government Administration (Interim Provisions) Act, No. 27, which abolished LGAs, replacing them with direct central government rule. As such, control of local government programs remained at the central level—decentralization by deconcentration. This period (1972–1984) is popularly known as *Madaraka Mikoani*.²⁰

Institutionally, the government switched from partnership to direct management of the development process and provision of social services. *Madaraka Mikoani* involved deployment of the government bureaucracy from the centre to the regions and districts, as a replication of the bureaucratic structure of the centre. The purpose of *Madaraka Mikoani* was to avoid the problems inherent in previous governance structures and therefore to institutionalize popular participation, encourage speedy socioeconomic development, and to bring about balanced growth among the regions (Warioba, 1999). During this time, the village councils were retained, but they were given a fundamental *ideological* task: they were supposed to generate plans and implement the agreed upon policies of the ruling party, TANU (Seppälä, 1998). However, as Shivji and Peter (2003) have noted, the village continued to be conceptualized as a geographical space of development rather than a locus of governance.

²⁰ In Swahili, this literally means “Powers to the Regions”.

What is important to understand is why this era of “decentralization” was not successful. As a matter of fact, actual devolution did not take place, but rather deconcentration, where functions and powers stemmed from national headquarters in Dar es Salaam and were then transferred to central government field offices in the regions and districts (Nyimbi, 2008). By and large, there were a number of institutional weaknesses in the system of *Madaraka Mikoani* as a whole. As Max (1991) has pointed out, the abolishment of the LGAs was carried out very haphazardly and without consultation between the government and the representatives of these LGAs, let alone the general public. Although President Nyerere emphasized that the abolition of the local governments did not mean the abolition of local representation, and that the new system was in fact designed to increase people’s participation in decision making (Nyerere, 1972), the institutional reality of *Madaraka Mikoani* undermined both local representation and participation (Mushi, 1978; Shivji & Peter, 2003). Through this system of governance, central government tried to penetrate rural areas and the regional administration acted as a supervisor to the village councils in all matters related to rural development. Eventually, President Nyerere had to admit that the system was a failure and did not lead to the efficient and effective achievement of the country’s local development initiatives, although Eckert (2007) notes that public confession of mistakes by Nyerere was one of the more effective political strategies he employed throughout his career.

In his exclusive interview with the *Third World Quarterly* in 1984, President Nyerere said:

There are certain things I would not do if I were to start again. One of them is the abolition of local government and the other is the disbanding of the cooperatives. We were impatient and ignorant. We shouldn't have done that because it was completely contrary to our own basic stand. In order to develop a poor country like Tanzania you had to involve the people. The participation of the people was an essential part of their development, not just economic development but overall development. We had these two useful instruments of participation and we got rid of them. The local government institutions had been organized by the colonial rulers and we distrusted them. They had made some mistakes and we were impatient with them—quite wrongly, as it transpired. It is true that the people in the cooperatives were inefficient and local government leaders were afraid of taking decisions but instead of helping them we abolished them. Those were our two major mistakes and both of them were contrary to our philosophy of people's participation. If you are committed to the principle of people's participation, then create areas of participation, don't abolish them. That is a lesson, a negative lesson. (Gauhar and Nyerere, 1984, pp. 828–829)

The United Republic of Tanzania (n.d.) notes that *Madaraka Mikoani* resulted in a stronger central government organization for coordinating and supervising rural development. Consequently, the powers intended for the people were actually taken away by the bureaucrats, who tended to make decisions on behalf of the people. Furthermore, the implementation was poor and suffered from a lack of clear objectives, inadequate resources, a lack of skilled manpower, and general resistance from senior bureaucrats (Nyimbi, 2008). In general, *Madaraka Mikoani* turned to be highly bureaucratic and rigid, because it was entirely owned by central government and the ruling party instead of by the communities at the local level, and because it lacked accountability towards local civil society (see Warioba, 1999; Nyimbi, 2008). Based on the path dependence theory, President Nyerere's statement cited above gives us a clear understanding of how preceding events or decisions can increasingly restrain the present and future choices of an institution.

5.4.3 Reinstatement of Local Authorities (1984–1990)

In 1978, rural authorities were re-established under the Urban Councils (Interim Provisions) Act. Institutionally, the government decided to shift from deconcentration to devolution by transferring responsibility, authority, control, and accountability for specific or broad management functions to lower levels of government. However, reconstituting these local authorities was not an easy task (United Republic of Tanzania, n.d.). In 1980, the decision to revive these local authorities was incorporated into clause 6 of the election manifesto of the ruling political party, *Chama Cha Mapinduzi* (CCM), for use in the presidential and parliamentary general election. Accordingly, in April 1981, the Tanzanian government took steps to revive the local government system in full and also decided to make the village the nucleus of local government authorities at the lowest level (Max, 1991). Finally, in April 1982, local government laws were enacted to establish village councils, township authorities and district councils in rural areas, as well as town councils, municipal councils and city councils in urban areas. These laws, which received the presidential assent on June 28, 1982, are:

1. The Local Government (District Authorities) Act, No. 7 of 1982.
2. The Local Government (Urban Authorities) Act, No. 8 of 1982.
3. The Local Government Finance Act, No. 9 of 1982.
4. The Local Government Service Act, No. 10 of 1982.
5. The Local Government Negotiating Machinery Act, No. 11 of 1982.

6. The Decentralization of Government Administration (Interim Provision)
(Amendment) Act, No. 12 of 1982.

Following the enactment of these laws, the first local government elections took place in 1983 and the establishment of fully functioning councils in 1984. Section 111(1) of the Local Government (District Authorities) Act, No. 7 of 1982 defines the basic functions of each local government authority. These include: (1) to maintain and facilitate the maintenance of peace, order and good government within its area of jurisdiction; (2) to promote the social welfare and economic well-being of all persons within its area of jurisdiction; and (3) subject to national policy and plans for rural and urban development, to further the social and economic development of its area of jurisdiction.

In addition to these specified functions, section 111A (1) of the Local Government (District Authorities) Act, No. 7 of 1982 defines an additional seven functions charged to all local governments. These are: (1) formulation, coordination, and supervision of the implementation of all plans for economic, industrial, and social development in their areas of jurisdiction; (2) monitoring and controlling the performance of duties and functions of the council and its officers and staff; (3) ensuring the collection and proper utilization of the revenues of the council; (4) making bylaws applicable throughout their areas of jurisdiction, and to consider and approve bylaws made by village councils within their areas of jurisdiction; (5) to ensure, regulate, and coordinate development plans, projects and programs of village and township authorities within their areas of jurisdiction; (6) to regulate and monitor the collection and utilization of

the revenues of village councils' and townships' authorities; (7) subject to laws in force, to do all such acts and things as may be done by a people's government.

Since the LGAs' reinstatement in 1984, the central government has been taking various measures to ensure that LGAs are efficient, democratic, accountable, transparent and responsive to the needs of the people, as well as to address the LGAs' needs (United Republic of Tanzania, n.d.). However, Shivji and Peter (2003) argue that the overall orientation of LGAs has remained firmly within the one-party system. According to these authors, local government elections were integrated in the party structure and procedures and the fusion between party and government personnel was extended at district, municipal and village levels. Shivji and Peter conclude that:

Although local governments were re-introduced in 1982, the tendency to centralize and concentrate power in the organs and officers of the central government continued to operate. This happened partly through the fusion of party and government personnel and partly through vesting the ultimate power of supervising local governments in the Minister responsible for local government. (2003, p. 13)

The new councils were not empowered to raise revenue on their own, and whatever revenue they collected, they did so as agents of the central government (United Republic of Tanzania, n.d.). Moreover, LGAs did not have enough resources—*no* development projects were undertaken in this period from 1984–1990 (United Republic of Tanzania, n.d.). Max (1991) has pointed out that inefficiency, lack of resources, corruption and excessive control by the central government undermined the local government machinery. By and large, various studies of local government in Tanzania have consistently indicated that from 1984–1990, little—if anything—was done by the ruling party CCM or the government to improve the local governance

system (see Max, 1991; Warioba, 1999; United Republic of Tanzania, n.d.; Shivji & Peter, 2003).

5.4.4 The “Second Wave” of Decentralization (1990–Present)

In the early 1990s, the so-called “second wave” of decentralization emerged, not only in Tanzania, but also in an increasing number of developing nations (Nyimbi, 2008). Unlike the previous attempts at decentralization, this era placed a greater emphasis on *devolution*—the transfer of political, administrative and fiscal responsibilities from central to local government levels as a means of improving good governance. Devolution in this case implies that authority and resources are devolved to the local units of government which eventually acquire the powers of autonomous initiative and decision making with respect to setting their own rules, goals and objectives (Smith, 2001). Through devolution, local units of government acquire the power of elaborating and implementing their own policies and strategies, and of allocating resources to different activities within the domain assigned to them (Smith, 2001). Moreover, local units often are given authority to raise financial resources through taxes, and in some cases, to borrow on the capital markets. Smith (2001) has noted that potential benefits of decentralization include achieving good governance, improving service delivery and the promotion of political democratization.

In 1996, the government of Tanzania adopted *Decentralization by Devolution* (D-by-D) as its official policy for achieving improved governance and service delivery. Devolution of real, effective, political, administrative and financial resources was seen as a way of empowering the citizens of Tanzania by empowering their local units of

government (Nyimbi, 2008). In 1998, key elements of D-by-D were outlined in the ruling party's (CCM) election manifesto and later articulated in the government's policy paper on the Local Government Reform Program. The purpose of D-by-D is to transfer discretionary decision making, planning, administration, and financial management to independent LGAs, with the power to sue and be sued. Moreover, D-by-D is expected to provide space for people to participate in the formulation of policies that affect them directly, including the setting of local taxes, provision of social services and ensuring security of life and property (Golola, 2003).

Through D-by-D, three key areas in central–local relations were identified as requiring fundamental change: finance, human resources and legal (Pinda, 2008). The overall objective of the “new” decentralization policy is to make LGAs effective and efficient institutions for self-governance that encourage the participation of the people in the democratic process and local decision making, planning, and development. Moreover, LGAs are supposed to effectively and efficiently use the funds allocated to them to attain the following specific objectives of the decentralization policy:

- Transfer real power to the LGAs and reduce the workload on remote central officials;
- Bring political and administrative control over services to the point of delivery in order to improve accountability and efficiency;
- Free local administrators from central constraints and allow them to develop institutional structures tailored to suit local circumstances;

- Improve financial accountability by establishing a clear link between the payment of taxes and provision of services; and
- Improve LGAs' capacities to plan, finance, and manage service delivery to their areas of jurisdiction.

5.4.5 The Way Forward: Going Local or Central?

Whether or not there has been substantive change in local governance was one of the questions of my field research. What I discovered was that my interviewees' understandings of the policy shift from centralization to decentralization do not differ much from the above outlined objectives. A councillor from Mvomero District Council explained this shift as an opportunity for citizens to account for their challenges and find immediate solutions for them; to increase a sense of ownership, accountability and sustainability for projects established; and to enable citizens to know their development opportunities. According to him, decentralization aims at empowering people at the grassroots level, with the objective of bringing services closer to the people in an effective and efficient manner.

Another respondent from Temeke Municipal Council said that the major reason for decentralization in Tanzania is to give the power to citizens to decide their own affairs. Moreover, a respondent from the same municipal council explained, "The purpose of decentralization is to make everything more bottom-up" (August, 2009). According to her, the bottom-up approach gives much more power to citizens than to the people at the top.

Generally, in many developing countries, decentralization efforts have been planned and implemented as a means of improving service delivery to all citizens, to increase participation of citizens, and to improve good governance at the sub-national level. According to Cheema (2005), decentralization promotes checks and balances between the central and local units of government and administration, and these checks and balances are key ingredients in democracy and good governance. From a good governance point of view, decentralization is typically viewed as an important element of participatory democracy that allows citizens to have an opportunity to communicate their preferences and views to the higher levels of government, which are subsequently rendered accountable to their citizens for their performance (Bardhan & Mookherjee, 2006).

From this historical analysis of local governance decentralization in Tanzania since 1961, a number of questions come to mind, especially regarding whether or not the Tanzanian government is really going local. Most of my respondents indicated (as does the majority of the literature) that the idea of decentralization in Tanzania exists only in the papers but not in any practical form. For instance, a ward executive officer (WEO) from Temeke Municipal Council argued that the central government keeps on saying that all development plans have to start at the bottom level, but surprisingly, although citizens at the local level identify their development plans, forward them to WDCs, and the district councils in turn forward them to the Prime Minister's Office-Regional Administration and Local Government (PMO-RALG), in the end the central government comes back with completely different plans from what was forwarded to

them. This WEO added that, “Worse still, they will make sure you implement their plans and not yours. So . . . there is no ‘true’ decentralization in Tanzania.”

5.5 Conclusion

The historical institutional approach in this chapter furthered my understanding of change and continuity in local politics and governance in Tanzania. The diversity existing within the overarching concept of local governance in Tanzania, coupled with the process of decentralization from the aftermath of independence to the present day, introduces challenges and risks that need to be carefully considered (see also Smith, 2001). First, on a practical level, how different is the current local governance system (decorated with the new title of D-by-D) from previous attempts at decentralization? Second, how do current central–local relations differ from those of *Madaraka Mikoani*? Third, how do the current councillor–bureaucrat relations differ from those of the post-independence era? Fourth, given the current institutional framework of the local governance system, how well is the structure likely to fulfil the goals and aspirations set for it by the Local Government Laws of 1982? These are difficult questions to answer unless one undertakes an analytical examination of the structural issues of the local governance system in Tanzania. This analysis is the focus of the subsequent chapters.

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CHAPTER SIX

THE IMPACTS OF INSTITUTIONAL FACTORS ON GOOD *LOCAL* GOVERNANCE IN TANZANIA

Good local government makes a huge difference to our lives. From the moment we step outside our front door it is about how our neighbour-hoods look and feel, to quality of our schools and the facilities in our local park. Good local authorities benefit from strong and accountable leaders who are in touch with confident communities who will fight for what is best. (Former British Prime Minister, Tony Blair, October 26, 2006)

6.1 Introduction

Local governance systems and practices vary significantly from country to country. However, for the most part, the main elements are similar. In many developing countries, local governments often serve as the purchasers of local services, the facilitators between networks of government providers and non-governmental entities, and as the gatekeepers or overseers for state and national governments, to insure that the latter fulfil their obligations toward the shared rules or responsibilities delegated to them (Shah, 2006). The overall objective of local government institutions in many parts of the world is to push decision making to the lowest possible level—decentralization in other words, where peer monitoring can take place and where people can control local government agents more directly (see Stiglitz, 2001).

According to the United States Agency for International Development (USAID), “When effective decentralization and democratic local governance advance in tandem, local governments and the communities they govern gain the authority, resources, and skills to make responsive choices and to act on them effectively and accountably”

(2000, p. 2). Therefore, advancing the capacity of local institutions to act effectively and accountably requires promoting the desire and capacity of local citizens to take responsibility for their communities, participate in local priority setting, assist in the implementation of decisions, and then monitor their effectiveness (see USAID, 2000).

This chapter focuses primarily on the impacts of institutional factors on good local governance in Tanzania. The sources used are both primary data collected from my field work in Tanzania and secondary data gleaned from a review of the literature. More specifically, this chapter provides a careful analysis of the current structure of the local governance system in Tanzania. Based on both responses from my interviewees and review of other empirical works, I will discuss institutional challenges that contribute to poor governance at the local level in Tanzania. Informed by my theoretical framework, I will apply a sociological institutional analysis to an examination of the boundary problem between central and local government on the one hand and politicians and bureaucrats on the other. Furthermore, I will discuss the issue of local government autonomy in the process of decision making and how this is an important aspect of good governance.

This chapter builds on the assertion that, given the current nature of the local governance system, Tanzania might still have a long way to go before its local governance system is transformed into a viable, autonomous, delivering institution (see also Mfaume, 2003). In developing this proposition, I have focused on certain key institutional aspects of governance gleaned from Rhodes' (1997) definition; namely, that governance consists of *self-organizing* and *inter-organizational networks*

characterized by rules of the game, interdependence, resource exchange, and being self-governing. Accordingly, these key institutional aspects are intended to provide an indication of local governments' ability to *own* their development projects or programs, as well as their *efficiency* and *effectiveness* in meeting the economic, social and political needs of the society. These governance indicators make up the core of my operational definition of good governance, described earlier in Chapter Three.

6.2 Good Governance and Local Government in Tanzania

6.2.1 An Overview of the Current Structure

The local governance system in Tanzania is marked by fragmentation of institutions. At the top of the local governance structure, the minister of state in the Prime Minister's Office–Regional Administration and Local Governments (PMO-RALG) is responsible for the administration of local government legislation. The minister responsible for local government has extensive powers over the functioning of local government institutions in the country (Mukandala & Peter, 2004).

At the district level (see Figure 6.2), the local government structure runs parallel to the district administration, with a shared geographical area and population between the two. According to the Regional Administration Act, No. 19 of 1997, the district administration is the principal representative of the central government at the district level in all matters pertaining to securing and maintaining law and order, as well as in determining the general policies of government in the district.

On the other hand, the local government authority (LGA) takes the form of the Council, whose members are democratically elected from each ward in the area of the district council. Article 146(1) of the Constitution of the United Republic of Tanzania

of 1977 and its amendments states that, the purpose of having LGAs is “to transfer *authority to the people . . . and involve the people*, in the planning and implementation of development programs within their respective areas.” The Constitution confers powers *to LGAs* to participate in, and to involve the people in, the planning and implementation of development programs within their respective areas and generally throughout the country. Hence, each LGA has perpetual succession and a common seal, is legally capable of suing and being sued, and is capable of purchasing, holding and alienating land and other movable or immovable property (Max, 1991).

In Tanzania, LGAs have both political and economic roles to perform for their people. Politically, LGAs stand in as an image for ordinary citizens in the governing of their communities and in their ability to participate democratically in matters of direct impact to them. LGAs enhance people’s participation in the election of their local leaders and instil a sense of the accountability of, and the ability to interact with, their representatives. At the same time, the LGAs are financially responsible to provide basic social services to people in their localities even as they enhance the engagement of the local people in various economic activities both locally and nation-wide.

Nevertheless, although the Local Government Laws officially assign the above functions to the LGAs, it seems that most services and infrastructure are still being provided by the central government or its executive agencies. This will be discussed further in the next section.

6.2.2 The Local Government Framework for Good Governance in Tanzania

In Tanzania, the good governance principles expected of local governments are summarized in *Booklet 2: An Introduction to Good Governance Principles for Local*

Governments (n.d.). This booklet aims at informing local councillors, local staff and any other stakeholders on good governance principles and how these principles should be approached in practice (PMO-RALG, n.d.). More specifically, this booklet addresses the following issues:

- What is good governance;
- Good governance and local government reform;
- Good governance and local government: How to conduct local policy-making;
- A new role and culture for local administration;
- Better performance of the Councils;
- Local government finance management;
- Financial accountability and the anti-corruption strategy; and
- Public participation in the local polity process.

Booklet 2 emphasizes the two-fold role of LGAs: “to be an efficient local public service provider and . . . a promoter of democratic participation at all levels as stipulated in the Constitution” (PMO-RALG, n.d., p. 2). This booklet identifies 17 principles of good governance to be adhered to by LGAs, reproduced in Appendix 3.

6.3 The Impacts of Institutional Factors on Good *Local* Governance

According to Kooiman (1993), *governance* can be seen as the pattern or structure that emerges in a socio-political system as a common result or outcome of the interacting intervention efforts of all involved actors. As such, governance has to do

with the ways in which actors or stakeholders interact with each other in order to influence the outcome of political processes (Didehvar and Danaeefard, 2009).

According to Rhodes (1996), governance is all about self-organizing, inter-organizational networks that substitute hierarchies and markets. Rhodes emphasizes that these networks are characterized by interdependence between organizations, continuing interaction between network members, game-like interactions rooted in trust and subject to rules negotiated by network participants, and significant autonomy from the state (1996). Similarly to the rational institutionalists, Rhodes argues that these networks are made up of organizations which need to exchange resources in order to achieve their objectives and to maximize their influence over outcomes (1996). The subsequent section therefore discusses how the rules of the game, interdependence, resource exchange, and issues of autonomy within the local governance system are exercised in Tanzania.

6.3.1 Central–Local *Interface*: Endangering Local Autonomy?

As discussed earlier in this chapter, Rhodes’ use of governance suggests that inter-organizational networks should be self-organizing, which simply means that a network is *autonomous* and *self-governing* (1997). For Rhodes, autonomy not only implies freedom, but also self-responsibility. Despite the reinstatement of “autonomous” LGAs in 1984, the issue of central–local relations has remained “complex and controversial” (Liviga, 1992, p. 217). While the new LGAs were given a number of tasks, they were administratively controlled by the central government. Their operational independence

was curtailed and they were placed under a politically controlled and heavily top-down administrative hierarchy (Seppälä, 1998).

In February 1999, the 1982 Local Government Acts were amended through Act No. 6, to give legal effect to principles guiding local government reforms, with particular focus on good governance and enhanced transparency and accountability at all local government levels. Very specifically, the revised laws provided for decentralized management of staff and finances, which are key prerequisites of the D-by-D. In particular, section 35 of the Local Government Laws (Miscellaneous Amendments) Act, No. 6 of 1999 states that:

In relation to the powers and functions of district authorities conferred by this Act, the central government shall: (a) facilitate the exercise of those powers and the discharge of those functions in a manner that gives due recognition to the autonomy of local government authorities; (b) formulate a national policy and regulatory framework for the local government system; (c) coordinate and monitor the performance of local government authorities for compliance with national policies, guidelines and standards; (d) develop policies and provide for a regulatory framework to ensure that the district councils lead other development agencies in their areas of jurisdiction in the proper execution and implementation of those policies; (e) provide the necessary technical support or assistance to district councils for the development of respective sectors in the districts; (f) assist in work for the implementation of decisions and resolutions of district councils which affect the development of their respective sectors, and central government shall have due regard to the need to recognize and enhance the role of local government authorities in the provision of services and supervision of development activities within their respective areas.

Even after all of these amendments, however, little has been accomplished toward actual devolution of powers to LGAs. As one might observe from this provision, the idea of autonomy is not clearly articulated and there is still a concealed sign of central government control. Moreover, while the role and place of the central government is extensively elucidated, these amendments do not spell out the role and place of the

LGAs and their relationship with the central government. These amendments do not even offer a clear definition of who the central government is.

For instance, decision-making authority in the regions and districts is vested primarily in central government officials; that is, the ministry responsible for regional administration and local government (PMO-RALG) and its representatives in the lower-level administrative units, such as regional commissioners, district commissioners and divisional secretaries. As indicated in Figure 5.2, this has been the source of institutional overlaps in the local governance structure. As Engel et al. (2000) have noted, the current local governance system still leaves several questions unanswered as to how much power or autonomy has been or should be devolved to the local units of government.

My interview respondents' statements, as well as my personal observations as a Tanzanian and a public official in the country, reveal the continuing strong influence of the central government at the local level. As we will see in this section, there are several institutional devices that continue to ensure central government influence over LGAs and limit local autonomy. One such device of central control which will be highlighted later in this chapter is *presidential appointees* within regions and districts.

According to Mallya (2000), although the Thirteenth Constitutional Amendment Act, No. 3 of 2000 has significantly reduced the list of offices requiring presidential appointments, the reduction in itself may not have gone far enough. As will be seen later in this chapter, these excessive powers limit local autonomy in Tanzania. Mallya gives an example where the President of the United Republic of Tanzania appoints

regional and district commissioners, who hold *powerful political* and *administrative* positions in the regions and districts. I concur with Mallya that, if not elective, these positions should be public service positions to which professional public servants would be appointed by the appropriate service commission (2000, para. 15).

My interviewees' comments on the current nature of the relationship between central and local levels of government suggest that this relationship can be viewed through two different lenses. One lens is that of the central–local *outside* of the local government structure, which means the functional relationship between the central government and the local government. On the other hand, there is also the central–local relationship *within* the local government structure. This means the functional relationship between central government organs within the local government structure and local government organs within the local government structure.

Central–Local Relations (Outside) of the Local Government Structure

The absence of a strong and determined central government in providing and enforcing opportunities for participation at the local level of governance is another obstacle for achieving good local governance in Tanzania. My interviews with various local government officials in Tanzania have indicated that the local governance system in Tanzania is more *integrative* than autonomous, even given the ongoing process of decentralization. There is a clear indication that central government agencies maintain and oversee responsibility of the functioning of the LGAs through the PMO-RALG. For instance, the minister responsible for local government has the power not only to

establish local authorities, but also to examine separately and approve each development project before any LGA can put it into effect (see also Liviga, 1992).

To compound this issue, officials from the central government still view the local councils' competence as initiators and implementers of development projects to be limited when compared to that of central government officials. Whatever legitimacy this argument may have, it is not consistent with the principle of D-by-D as articulated in the government's policy paper on the Local Government Reform Program in 1998 (discussed further in Chapter Seven).

A large number of my respondents from LGAs expressed their concerns over the excessive use of powers by the central government. I asked one of my interviewees from the Mvomero District Council main office, "How would you describe the current nature of the relationship between central and local levels of government?" She stared at me and then responded:

Of course, the relationship is very intimidating and everything comes from the central government. As a matter of fact, the so-called D-by-D exists only in the papers, but it is not a reality. In fact, we [LGAs] are just used as puppets to implement central government policies . . . there is no question about that. . . . (July 2009)

Likewise, a bureaucrat from Mvomero District Council described central–local relations as "unhealthy," because the central government treats the people at the LGAs as "unqualified." He added, ". . . in most cases they just give us orders and they keep on interfering in decisions made by the LGAs" (July 2009). A similar conception was also propounded by a respondent from Temeke Municipal Council in Dar es Salaam: "The central government is a planner and decision maker . . . the local government is

simply implementing the plans and decisions of the central government.” He added, “. . . because we [LGAs] are under the authority of the PMO-RALG, we are basically part of the central government” (August 2009). According to one senior local government official from Same District Council, “All development projects are planned and controlled by the central government” (July 2009).

Building on the same claim, a ward executive officer (WEO) from Temeke District Council stated:

Oftentimes, our local development plans are interfered with and stopped by the central government. For instance, our current plan is to work on a clean water project and to build a bridge in our ward. But the central government has come up with a new idea that every ward has to construct and start a secondary school. This means that we cannot do what we planned to and budgeted for; instead, we have to implement this decision from the central government. . . . Eventually, LGAs become *more dependent* on the central government and *less important* to their own local people. (August 2009)

An additional concern expressed by respondents from LGAs was the central government’s control over local government in the issue of finances. According to Jones (2008), good local governance can be re-invigorated only by giving LGAs powers to do things that matter to people in the locality, discretion over what they do and how they do it, and the ability to finance their expenditure decisions by levying local taxes that bear on local voters. Unfortunately, finance was one of the three key issues requiring change in central–local relations as identified by the D-by-D in 1996, and there is still little doubt that LGAs are heavily dependent on the central government. Almost all of my respondents, especially those from the LGAs, indicated that the issue of LGA financial autonomy is a “nightmare.”

A respondent from the Human Resource Department in Mvomero District Council expressed her deep concerns with existing central–local relations. She explained that the current relationship does not give a 100 per cent mandate to LGAs to deal with matters arising from within their areas of jurisdiction. She pointed out one example, in which the central government tends to restrict the actions of LGAs through “budget limits.” According to her, LGAs set their budget estimates based on their local priorities, but oftentimes LGAs’ priorities run counter to the central government’s priorities. She concluded, “In the end, LGAs have to follow the instructions and directions of the central government.” As such, she described central–local relations as a “stumbling block” towards good local governance. According to her, the limits set by the central government hinder what citizens expect from their LGAs.

One major constraint on the institutional capacity of LGAs is a weak financial base. For instance, the country’s Controller and Auditor General (CAG) report on LGAs for 2007–2008 (United Republic of Tanzania, 2009) indicates that, despite the legal mandate to solicit their own revenue, LGAs cannot sustain their operations and therefore rely on grants from the central government. The CAG’s report indicates that LGAs were directly controlled by the central government through a granting mechanism (see Figure 6.1).

Figure 6.1 – LGAs Own Resources versus Grants²¹

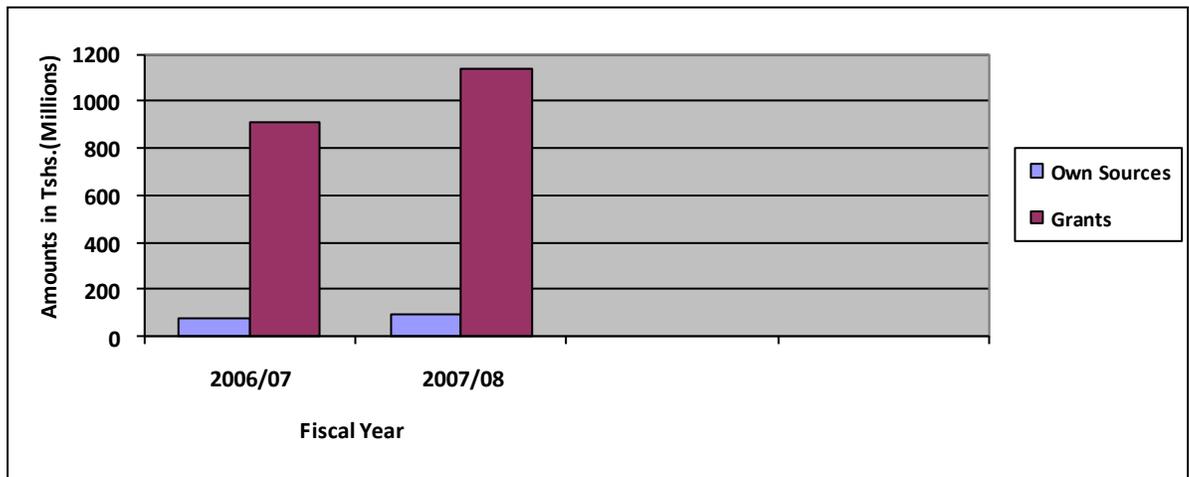


Figure 6.1 indicates that in 2006–2007, the total revenue from the LGAs’ own sources was 8.5 per cent of total LGA revenue, while in 2007–2008 it was 9.2 per cent (United Republic of Tanzania, 2009). Similar statistics presented by Fjeldstad (2004) indicate that the LGAs’ own revenues represented less than six per cent of total national tax revenue in Tanzania in 2002, and this share had then been almost unchanged since 1996. This tendency endangers local autonomy.

Central control over local governments flows all the way from the ministerial level to the regional level. Since Regional Commissioners are political leaders, appointed by the President, in most cases they will implement or give political directions in favour of the ruling political party. When I was inquiring about the existence of any institutional

²¹ From the Annual General Report of the Controller and Auditor General on the Financial Statements of Local Government Authorities for the Financial Year 2007/2008, p. 122

factors that hinder good local governance, this is what one of the bureaucrats from the PMO-RALG stated:

Well, there is a very unclear structure in the local governance system, with a lot of institutional overlaps. For instance, Regional Commissioners assume a very powerful role in the region and there is no way to control them because of their presidential appointment. . . . You see! Sometimes they tend to give directives to LGAs . . . and this is not right . . . now, where is the local autonomy? (June 2009)

Yet to address the above set of institutional weaknesses, there is a need to re-invigorate local autonomy as an important aspect of good governance. Like Jones, I think that “the way ahead for strengthening local government, and local representative democracy, is not by keeping the centre in the driving seat” (2008, para. 9).

Central–Local Relations (within) the Local Government Structure

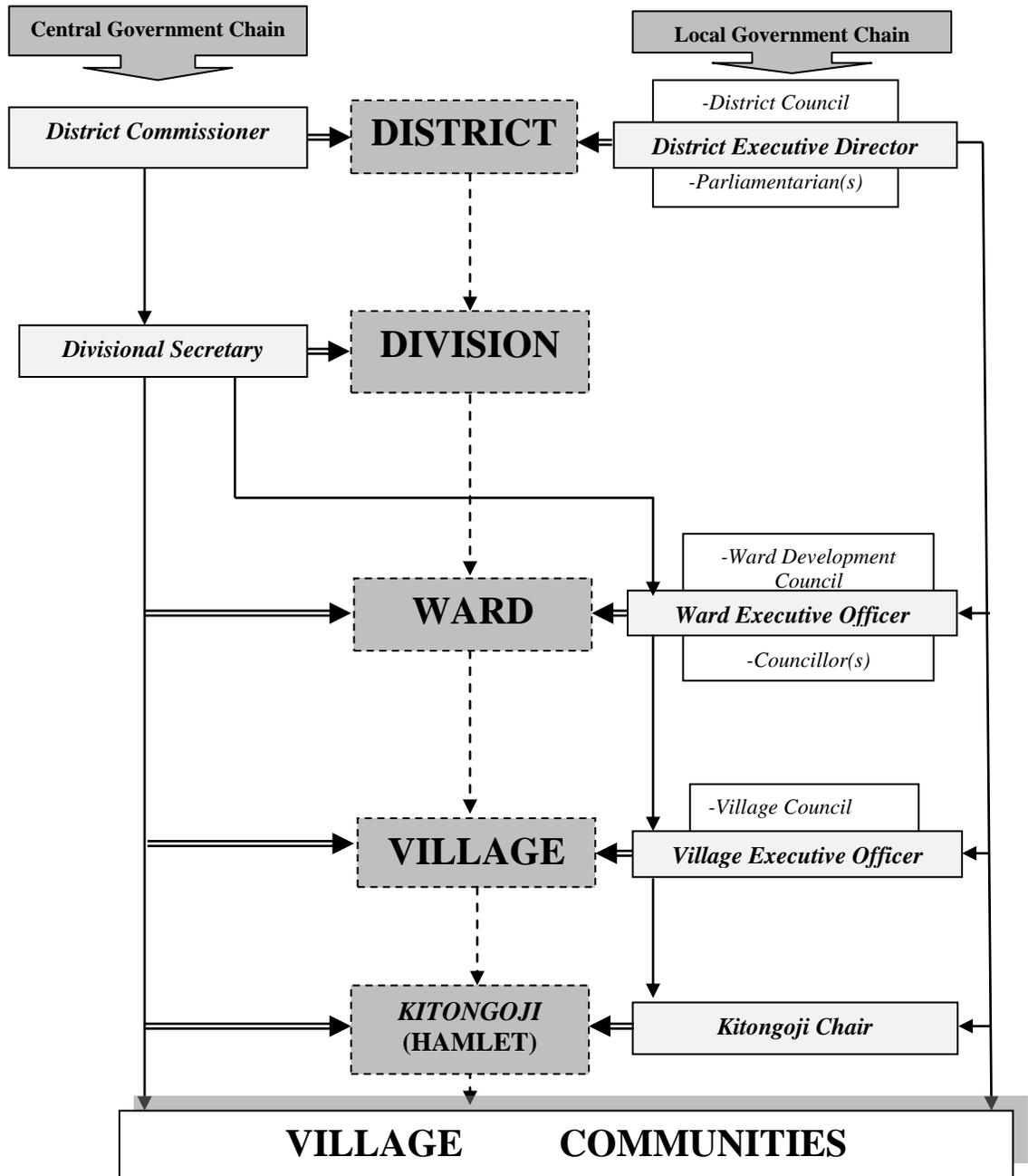
My interviews, both with officials from the PMO-RALG and from the LGAs, revealed a number of overlaps in the structure of the local governance system. According to the interviewees, these overlaps hinder the implementation of the day-to-day activities of the LGAs. One bureaucrat from the PMO-RALG stated:

. . . as I said, there is a very unclear structure in the local governance system, with a lot of institutional overlaps. Just like the Regional Commissioners, District Commissioners assume a very powerful role in the district and there is no way to control them because they are appointed by the president. Furthermore, they sometimes even violate their mandated boundaries and give directives to District Executive Directors. (June 2009)

Responses such as these prompted me to engage in deep discussions with my respondents on the issue of institutional overlaps within the LGAs. One specific area of overlap that was pointed out by many ward executive officers (WEOs) is the role of the *divisional secretary* in the district. Strictly speaking, a divisional secretary is a public

officer whose chain of authority falls under the central government, as shown in Figure 6.2.

Figure 6.2. Institutional Overlaps in the Local Governance Structure



Keys:

\Rightarrow Area of jurisdiction

\dashrightarrow

Chain of authority or command
Geographical divisions

According to section 17(2) of the Regional Administration Act, No. 19 of 1997, the main role of the divisional secretary is to assist the district commissioner in performing his or her administrative duties in that particular division, which comprises a number of Wards.²² Section 154 of the Local Government (District Authorities) Act, 1982 states: “Every divisional secretary and every ward secretary shall have power to enforce all bylaws within the area under jurisdiction.” However, in practice jurisdictional overlap causes the roles of the divisional secretary to be blurred with that of WEOs, as shown in Figure 6.2.

While the ward executive officer (WEO), as an employee of the local government, is directly responsible to the district executive director (DED) for the implementation of day-to-day activities, the WEO is often seen as a subordinate to the divisional secretary. A WEO from Temeke Municipal Council explained to me that ultimately, she is torn between “two chains of command”: first by her employer (DED), who is part of the local government chain of authority, and secondly by the divisional secretary who, in principal, is part of the central government chain of authority. At the same time, she complained that a councillor “whose interest is more political than technical” places her under strong political pressure to please his party and help him win the next election. She added, “. . . this is so embarrassing!” As Kjær (2004) has pointed out, when networks and hierarchies co-exist, then inter-organizational linkages

²² According to section 29(2) of the Local Government (District Authorities) Act, 1982, “A division shall consist of such number and size of wards as the district council may determine. . . .”

can become obstacles to performance; as such, governance becomes a matter of confronting complex and varying institutional arrangements.

From another perspective, one of the councillors from Mvomero District Council argued, “. . . there is no need for such positions [district commissioner and divisional secretary]; they are too political and confusing.” A respondent from Temeke Municipal Council noted, “In some cases, the district commissioner gives orders to the local government operational staff.” He stressed,

. . . these political figures at the grassroots level have no importance, especially at the ward level. So there is a need for the government and other stakeholders to keep an eye on them and if possible abolish them, because they are the source of conflicts and inefficiency in performance and outcomes. (August 2009)

Mallya (2000) has characterized these politico-administrative officials as a major subject of complaint by the opposition, because they are leaders in the misuse of public resources, the disruption of opposition rallies and in general harassment. According to statistics provided by Omari (2002), in 2002, 45 per cent of mainland regional commissioners and 20 per cent of district commissioners were of military background. This phenomenon is partly explained by the fact that some of those officers were originally ruling party cadres who were sent to the military academy, especially during the single-party system.

Nevertheless, opinions are not entirely unanimous. One of the special-seats councillors (to be discussed below in section 6.3.2) from Mvomero District Council still sees the importance of having divisional secretaries to reduce the administrative gap from district to ward level, but she proposes that this position should fall under the

local government chain of authority to reduce role conflicts. All in all, the underlying concern from my interviewees from LGAs was how institutional overlaps limit their *autonomy* to fulfil their local obligations in an *efficient* and *effective* manner.

6.3.2 Politician–Politician–Bureaucrat *Intraface*: Weakening Performance?

In Tanzania, each ward has an elected Ward Councillor. Councillors are very influential in the LGAs because they represent community members who elected them to power on the local government councils. In addition, there are also “special seats” in the LGAs reserved for women. These additional special seats comprise no less than one third of all elected councillors and members of parliament in each LGA. According to the National Electoral Commission of Tanzania (2008), these special seats are apportioned according to seats each political party has won in the LGA.

The Swahili word for councillor, *diwani*, has been used to mean *ruler* at least since the 17th or 18th century (Lange, 2005). According to Lange, the German colonial administration adopted this title together with other pre-colonial titles such as *Akida*, *Jumbe* and *Liwali*, which represented various subordinate officials (see also Max, 1991). In Tanzania, councillors are given the honorific title of *Mheshimiwa*, which literally means *honourable*. Indebted for their position to the electorate, councillors perceive themselves as having a prominent developmental role to perform, especially toward their voters. In Tanzania, councillors are elected every five years in a general election which runs at the same time as the national election.

As noted in Chapter Five, throughout Tanzania's post-independence history, councillors have maintained their authority by playing the role of "development advocates" on behalf of their voters and their respective political parties, even if the control and location of such a development resource within the ward might be of dubious value (see also Harrison, 2008). All of the councillors interviewed explained that one of their key tasks as local politicians is to be spokespersons in full council meetings and to spearhead development within their constituencies, especially for things like schools, health facilities, road improvement, irrigation schemes and the like.

On the other hand, the role of the bureaucrats in the LGAs is to design, develop and implement strategic plans for their LGAs in a cost-effective and time-efficient manner. Under the rubric of the district executive director (DED), local bureaucrats are also responsible for the day-to-day operation of the organization, including managing departments or committees and staff as well as developing business plans for the future of their respective LGAs, in collaboration with the council (Interviewee, Temeke Municipal Council, August 2009).

Tensions between Councillors and Bureaucrats

Although councillor–bureaucrat roles would appear to be strictly separated from each other, empirical research commissioned by the Tanzanian government has indicated that there are frequent *tensions* and *overlaps* between councillors and bureaucrats. As a matter of fact, in most LGAs the relationship between the two is not cordial and at times it tends to be antagonistic; furthermore, this hostile relationship between councillors and bureaucrats leads to a non-productive working environment

and consequently, poor performance by both sides (United Republic of Tanzania, n.d.a). Consequently, relations between councillors and local bureaucrats are an important way of gauging the success of good governance initiatives at the local level in Tanzania.

Explaining the nature of councillor–bureaucrat relations, a bureaucrat from Mvomero District Council stated, “The relationship is always *antagonistic* between us” (July 2009). A number of respondents indicated that this pattern of relationships displays continuity over time, and they identified it as one of the major stumbling blocks to performance and good governance at the local level.

My interviews with both councillors and bureaucrats clearly indicate that there is a lack of trust between the two groups, and of confidence in the abilities of each other. An economist in one LGA said to me, “. . . all this is because of a lack of *trust* between us.” In some sense, bureaucrats consider the councillors to be obstacles in the fulfilment of their duties, and the same applies in reverse to the councillors as well.

Some bureaucrats interviewed also view councillors as being of limited *competence*. A chief economist in one of the LGAs said, “. . . because of their illiteracy and their not knowing the chain of command, they sometimes want to do the work of bureaucrats, especially if it enhances their political popularity.” In the words of a human resources officer from one LGA, “To work with people like these, who have a very low level of understanding, you need to be tolerant because they will delay a lot of your plans. . . . You need a lot of time to educate and influence them so that they agree with some of the issues you are discussing with them.”

However, this same claim of lack of education was also cited by one councillor in regard to the bureaucrats at the lowest levels of wards and villages:

The low educational level of the WEOs and VEOs is a reason for the lack of development at the local level. There is no specific level of education for these posts, some standard four and seven.²³ In fact, they are not capable of undertaking large responsibilities from the national or district levels. For instance, most of them do not even understand budget terms and consequently misinterpret financial information. In the end, this leads to poor performance. (Mvomero District Council, July 2009)

Gaventa and Valderrama (1999) argue that the inability of local government officials to translate local needs into technical proposals of a high quality provides an excuse for bureaucrats in the central government to disregard district plans for those situations where local citizens have provided their input. According to Mukandala (1998), many councillors in Tanzania have found it difficult to contribute meaningfully to discussions because of difficulties in countering the technical presentations of the departmental technical staff. In consequence, when essential planning skills and knowledge of local decision-makers in the planning process are lacking, these also become another obstacle to efficient and effective realization of local development strategies (see also Crook & Manor, 1998).

Lack of clear boundaries between councillors and bureaucrats was another concern in the responses given by my interviewees. One of the community development officers interviewed stated, “Oftentimes, councillors do not even know their limitations . . . in fact, they always command us to do things without considering the available resources.” An example was also given by a WEO from Arusha Municipal Council,

²³ In North America, the equivalent of grades four and six, respectively.

who claims to have been commanded by his councillor to write a letter regarding land issues without following the agreed-upon procedures. According to this WEO, his councillor has been an impediment to his ward's development.

A similar claim was brought forward by a bureaucrat from Arusha Municipal Council, who argues, "Because councillors do not have office hours and do not really know what they are supposed to do, they practice the so-called MBWA [management by walking around] method." He then added in concession, ". . . but at least with the current reforms under discussion, it has been proposed that they should have office hours two times per week."

In relation to boundary problems, the overwhelming political *power* of councillors, their frequent intervention in technical matters and their expansive control over LGAs' activities were identified as contributing factors to poor performance at the local level in Tanzania. The district education officer in one LGA complained, "Councillors threaten the primary school head teachers, forcing them to do things against the regulations simply because they [councillors] think they have the power to do so. . . . Eventually this has led to personal conflicts between teachers and councillors" (July 2009). Similarly, one district engineer complained, "Councillors always want things to be done for their own political interests" (July 2009). A civil servant from the PMO-RALG stated:

Councillors are supposed to supervise development projects within the LGAs. . . . Here is the issue: they are not interested in the rules and regulations, but rather their political parties, political motives and political interests. . . . So sometimes they diverge resources for their own political interests or because of the directives from

top political leaders. . . . I'm saying that the institutional structure of the LGAs and the whole issue of politician–bureaucrat relations is very unclear. (June 2009)

A chief economist at one of the LGAs said, “. . . see, there is an allocation of funds for specific projects, but these people [councillors] want the money to go to them” (July 2009). I personally observed this behaviour when I approached a councillor from one LGA, who has been a very good friend of mine for years. I confidently told him that I was doing my PhD and would like to interview him as part of my studies. I could not believe my ears when he told me, “I have a lot . . . actually a lot of information about our local government . . . you should pay me money so that I will be able to discuss this with you. . . . Oh yes, I need money, money . . .” (July 2009). This suggests that *corruption*, unfortunately, is another impeding factor to good local governance in Tanzania.

My interview with one bureaucrat from Same District Council suggests that a lot of councillors are *poor* and that they consequently treat their positions as a form of employment rather than representation. He gave a scenario where a councillor receives a monthly allowance of TZS²⁴ 30,000 while a WEO receives a monthly salary of TZS 80,000.²⁵ According to this bureaucrat, “There is no way you will avoid conflict between them” (July 2009). A similar claim was made by a respondent from Temeke Municipal Council, who argued, “While bureaucrats are administering the laws of the land, councillors are just there to fulfil their political ambitions” (August 2009). It appears that even average citizens know that the weakness of the councillors is money,

²⁴ Tanzanian Shillings.

²⁵ At the time of writing, TZS 30,000 and 80,000 were worth approximately CAD 25 and 65 respectively.

and consequently they play the money game of corruption to achieve what they want, even if it is against the law. A WEO from Temeke Municipal Council gave this scenario:

Sometimes our bad relationships with councillors are caused by the citizens themselves. For instance, a citizen builds a shopping mart close to the road, which is against the law. A councillor is the first one to see it, and he goes to that person asking for “something” so that the councillor can settle the issue with the government. That person then gives money to the councillor. But after a while, the WEO sees the problem and because he is representing the government, his responsibility is to make sure that no one violates the law. So the WEO decides to demolish the mart and orders the person to leave. The person goes back to the councillor asking him why things went wrong. The councillor then starts to insult the WEO and makes false accusations during a council session. (August 2009)

According to this WEO from Temeke Municipal Council, his ability to do his job has been highly compromised by his own councillor.

My observation, from these interviews and review of various government documents, is that there is no clear definition of roles for either councillors or bureaucrats. In fact, one respondent from Temeke Municipal Council (August 2009) argued that the job description for politicians is “unclear and almost not there at all.” According to him, bureaucrats and operational staff have job descriptions but “they are not effectively adhered to.” However, a councillor from the Mvomero District Council (July 2009) indicated that councillors are guided by “principles and ethics, but there is a lack of commitment, and of course the personal individual characters of some councillors are also an issue.” He added, “Having principles and ethics is one step, but application is another step . . . they are two different things.”

A human resources officer from one of the LGAs explained that the conflict between councillors and bureaucrats continues over time because of the unclear definition of the councillors' jobs. She argues, "The available job descriptions for the councillors' positions do not show the accountability of councillors to either local citizens or to the bureaucrats." This bureaucrat argues further that the "... job descriptions of the councillors are designed to help them accomplish their political interests and to keep them in power . . . and every councillor tries to attract development projects to his/her area." A WEO from Temeke District Council noted that some of their plans for development do not move forward because of "uncertainty in their roles." She gave an example in which a bureaucrat believes that a certain job has to be done by a councillor, and at the same time a councillor believes the opposite. Eventually, "performance and outcome are compromised" (August 2009).

On the other hand, the extensive bureaucratic intervention in development projects has been condemned as a major source of corruption at the local level. Local councillors blame bureaucrats for being "money squanderers and corrupt" (Interviewee, Mvomero District Council, July 2009). A number of local councillors argue that through bureaucratic control of various development projects, funds have often been transferred from the common public to the ruling elites. However, one of the local bureaucrats from Mvomero District Council refuted this claim by arguing that:

Sometimes they [councillors] become terrified by figures without even bothering to correlate them with the actual work done. You know, when you talk of a million, to them because of their level of income, it is a lot of money. They are not even aware of the current power of our Tanzanian Shilling in the global economy. (July 2009)

Role Conflicts between Elected and Appointed Councillors

Another issue which was also brought to my attention during my field work is the tension between *elected* and *appointed* councillors. Institutional complexity between the two obscures who is responsible to whom and for what. The fact that a special-seats councillor does not necessarily represent any specific ward within the LGA makes her representation relatively weak compared to fully elected councillors. In the words of one special-seats councillor from Mvomero District Council:

There are oftentimes tensions between us [elected and special-seats councillors], because of our unclear job descriptions, especially for special-seats councillors. Elected councillors claim that we [special-seats councillors] represent no one and that our role is to deal with groups and solve any other problem that might arise, in our own way. . . . But elected councillors do the same thing and in fact their jurisdiction is too wide and there is no clear demarcation between theirs and ours. One more thing I should mention: in the absence of the elected councillor in a meeting, where he/she is supposed to be the chair of that meeting, the directives state that the political chairman of village should act as chair, but most of them are not as competent on the various issues at hand as the special-seats councillors . . . you see! (July 2009)

Another empirical study done in Tanzania by Harrison (2008) has revealed the same issue. In Harrison's study, a group of women councillors complained that whenever a special-seats councillor argues for developmental support for women in a certain area of the LGA, other male elected councillors will rhetorically ask, "And who do you represent? What ward do you represent?" According to Harrison, this tendency promotes the attitude that special-seats councillors have less claims to developmental resources within LGAs, as it is unclear what geographical location within the LGAs would underpin their claims.

6.3.3 Limited Local Resources

The developmental role of LGAs in Tanzania is largely determined by the available *resources*, which are an important determinant for ownership, efficiency and effectiveness of the local development initiatives. However, as Boex (2003) has pointed out, local governments have few incentives to improve the efficiency and effectiveness of local service delivery. Even as the pressure put forth by citizens increases, LGAs find their resources shrinking to meet the expectations of their people. Hence, the inability of LGAs to utilize their local resources for various political and technical reasons inhibits their level of participation in local development initiatives. My interviewees from the LGAs raised concerns about local government resources, ranging from individual to corporate resources at the local level.

The first issue which was brought to my attention is the huge *disparity* in income between central and local government officials. Many respondents expressed concern, especially in the situation where two people with a similar level of education work in the same environment but with widely different incomes, simply because one is labelled “central government” and the other one “local government.” A good example is that divisional secretaries get paid more, through their additional allowances, than WEOs, councillors and village executive secretaries (VEOs). This issue was raised by one of the councillors in Mvomero District Council, who argued, “Divisional secretaries are more privileged than WEOs and councillors because they fall under the central government scheme of service”(July 2009).

In his study of the Tanzanian local administration, Seppälä (1998) has indicated that the salary levels of local administrators declined some 80 per cent in real terms

during the 1970s and 1980s. Seppälä argues further that although some salary increases have lately been implemented, the normal salaries are still far below the level of the 1960s and below subsistence levels. According to Seppälä, this scenario forces many local administrators to look for supplementary sources of income, which eventually weakens their efficiency and effectiveness. In the words of one of Seppälä's respondents:

Some people in this office rely on their salary only. I don't know how they can manage. They are paid five per cent extra for housing. That is nothing. Five per cent out of Tanzanian Shillings 50,000, what is it? I cannot pay even the electricity bills from my salary. But I am luckier—I have a government house (1998).

Seppälä's observation is that local administrators tend to scramble for donor-related assignments, since donor agencies have a much greater ability to pay daily allowances. In most cases donors—such as the Japan International Agency (JICA), the Canadian International development Agency (CIDA), the World Bank and others dealing with local government projects—have the means to employ administrators temporarily for their project work. According to Seppälä, the requests for local administrative support follow the work plans of donor agencies and tend to be less thoroughly communicated to the officers. In this case, the local administrators wait in a stand-by position for any donor-related assignments. However, Seppälä has noted further that, since donors tend to establish personal relationships with a few selected officers (usually those commanding good English); the situation creates envy among the less successful administrators.

Secondly, my interview partners pointed out an important and potentially critical issue with regard to the low level of *education* required of local government officials.

A number of my respondents have suggested that WEOs and VEOs do not have the educational background to accommodate changes in and challenges to the local governance system. One respondent from the Mvomero District Council stated, “They do not give us the opportunity to do further studies, and still they keep on blaming us, saying that we are not capable of handling things” (July, 2009). According to this local bureaucrat, “Even scholarships to study abroad are mostly offered to those who are at the central government.” Many of my respondents proposed series of short courses and long-term training for local government officials, so as to improve their performance.

Thirdly, the operational resources of the LGAs are *inadequate*. Seppälä singles out an example in which some regional planning officers are unable to make phone calls because they do not have money for telephone bills. My interview partners also revealed to me that they have no stationery to perform their office duties. Some claimed that they have no means of transport and that those cars that are available are limited to a few top officials in the LGA. When I asked one of the WEOs in Mvomero District Council to give his overall opinion on the available resources in his council, he complained:

Local councils should have a budget for ward offices, especially for transportation, stationery supplies and even allowances for meetings. Look! My ward has six villages and twenty-six *vitongoji* [hamlets] and these are very far from each other. In fact, there is even a proposal to add two more villages to the ward. I use my own meagre salary for transportation, to submit reports, and to attend meetings, and I receive no refunds. . . . Sometimes I have to travel seven kilometres to attend office activities. Can you just imagine: divisional secretaries get a motorbike with 30 litres of petrol every month, but there is nothing for WEOs . . . this is not fair! (July 2009)

In connection to this, there is also an *inequitable allocation* of resources to the LGAs. According to Boex, it is still unclear whether or not local government resources are allocated in a fair and pro-poor manner. Boex argues that:

Under-developed (non-urban) districts end up in a vicious circle where they receive relatively fewer resources, in turn are unable to expand their human resource base or construct additional physical infrastructure, which in turn results in relatively smaller resource allocations from the central government. (2003, p. 384)

Boex is convinced that central government officials, probably intentionally but (quite charitably of him) perhaps unintentionally, allocate resources in a manner that benefits wealthier, typically politically more powerful local governments. Boex's conclusion is that there is an inequitable allocation of resources to the local governments by the central government in Tanzania. I concur with Boex based on the fact that the western part of Tanzania has remaining poor since independence while the northern and eastern parts continue to flourish. Statistically, since independence, there have been very few, if any, influential politicians from those areas.

6.3.4 A Dominant-Party System²⁶ in Local Government Politics

In July 1992, Tanzania formally ceased to be a one-party state, when amendments to its constitution and a number of laws permitting and regulating the formation and operation of more than one political party were enacted. Twelve new political parties, in addition to the ruling party, the *Chama Cha Mapinduzi* (CCM), were registered and participated in the first multiparty election, in October 1995. According to the Office of

²⁶ A *dominant-party system* is a party system where only one political party can realistically become the government, by itself or in a coalition government, because other parties are too weak to gain power (Mgonja, 2005, p. 245).

the Registrar of Political Parties in Tanzania website (2009), as of November 2005, there were 18 political parties with full registration and four political parties with provisional registration.

Notwithstanding the existence of these political parties, Tanzania is still a “one-party dominant state,” as the opposition parties are widely considered to have no real chance of coming to power (Mgonja, 2005, p. 245). At the local level, multiparty politics are slowly entering government, but still a majority of councillors are from the ruling party, the CCM. Consequently, Tanzania’s system of governance is built within the logic of single-party rule that existed after independence. Surprisingly, however, only one of my interview partners suggested that single-party dominance is a stumbling block for good governance in Tanzania.²⁷ She explained to me, “Although I am a member of the ruling party, the CCM, I have to confess that we are lacking in integrity simply because of a lack of opposition in our council meetings” (August, 2009). She further explained, “In most cases, we are too shy to challenge ourselves, even if we really do see that there was a mistake made, or even if there are signs of corruption among us.” She pointed to issues such as the embezzlement of funds, dubious procurement deals and corruption as major problems within the LGAs, but, “Who will tie the lion?” she lamented.

Reflection from a sociological view of institutions, this tendency demonstrates how local institutions in Tanzania are dependent on political culture and not individual

²⁷ Although she was the only respondent who raised this issue, I believe it is a very important issue to discuss, as the single-party dominance in Tanzania has been one of the major impediments to the country’s development.

choices. The above scenario indicates that, had it been her choice, the councillor would argue otherwise. Hence, political decisions made by the LGAs are a product of not only institutions, but also political culture and the organizational identity of the ruling party, *Chama Cha Mapinduzi* (CCM).

6.3.5 *Mfuko wa Maendeleo ya Jimbo*: Legal Corruption?

Lastly, when I was interviewing people at the Mvomero District Council, they brought another issue to my attention; that is, the *Mfuko wa Maendeleo ya Jimbo* (Constituency Development Fund or CDF). This was new to me because when I left Tanzania in August 2006, approximately three years ago, there was no such thing as the CDF. In East Africa, the CDF has been available in Kenya and Uganda since 2003 and 2005 respectively. In Tanzania, the CDF was endorsed by President Jakaya Kikwete in his address to the Parliament in August 21, 2008.

Officially, the CDF is an additional means of financing that is sourced from domestic revenues and is to be used for community-driven development managed at the constituency level by Members of Parliament (MPs) (Policy Forum, n.d.). As such, the CDF supplements, or operates parallel to, existing funding mechanisms for local government. In his address to parliament, President Kikwete stated that the CDF would be established in order to assist MPs in implementing development projects and reducing minor problems that face voters in their constituencies. President Kikwete

reasoned that it is embarrassing when constituents ask their MP to finance something as simple as, say, five iron sheets, but the MPs have no finances to do so.

However, based on comments from my respondents, the CDF is “just another loophole for corruption” (Interviewee, Mvomero District Council, July, 2009). According to my interviewees, there has been an enthusiastic utilization of the fund and clearly misallocation is taking place. A respondent (bureaucrat) from Mvomero District Council stated, “I am not pleased with the decision of the government to establish the *Mfuko wa Maendeleo ya Jimbo*. To me, it does not make any sense for MPs to be the chairs of this fund and for councillors to be its members” (July, 2009). Furthermore, she stated that the CDF lacks a sense of accountability (clearly an important aspect of good governance) because, “. . . in the case of misuse of the fund, especially when the MP is also a minister, who will question it?” Another bureaucrat from the same LGA stated, “Misallocation of funds is likely to happen because there is no person [other than the MP] with the mandate of suggesting ideas for the use or allocation of this fund.” He added, “I am sure MPs will use this fund simply to raise their popularity instead of to spearhead local development” (July, 2009). Another respondent argued, “In practical terms, it is obvious that there is a plan of dubious legitimacy to use this fund to keep them [MPs] in power forever” (July, 2009).

To me, when I heard about the CDF, it sounds like what Kaufmann (2005) labelled *legal corruption*. According to Kaufmann, legal corruption implies that “some actions may be legal strictly speaking, but illegitimate, inconsistent with standards and/or corrupt” (2005, p. 28). Harry McGee, a political journalist with the Irish Times,

describes legal corruption as undue political influence that stems from political funding that is lawful (2009). According to McGee, this tendency is manifested by cronyism, political patronage and favours, donations and other contacts that influence political decisions and behaviour. McGee argues that, where there is an absence of accountability, legal corruption becomes high.

In Tanzania, this kind of legalized corruption is widespread. Another good example was a legalized form of corruption, especially prevalent during Benjamin Mkapa's presidency, known by the Swahili name *takrima*. *Takrima* is a technical term invented by the people who were in power to help them retain it. It consists of abusing a form of traditional African hospitality during general elections: the candidates, mostly from the ruling party, would provide benefits, including money, to their voters, which would eventually influence the electorate (see BBC News, April 25, 2006). Under the country's electoral laws, politicians were allowed to hand out food and drink to prospective voters. As with the CDF, politicians were spending money in the name of *takrima* with the expectation that electoral favours would be bestowed upon them at the expense of other political parties. However, in responding to the public outcry over *takrima*, the Tanzanian government abolished the system in 2006. This was after the Tanzanian High Court ruled out in favour of three legal rights organizations that argued that *takrima* was a form of corruption. All in all, given the CDF and *takrima* cases, I am compelled to agree with rational choice institutionalists that actors in institutions have a set of preferences and interests and thus behave entirely instrumentally and strategically to maximize their preferences and interests.

6.4 Summary and Conclusion

Since the reinstatement of the local governance system in Tanzania in 1982, LGAs have played a significant role in the delivery of local services such as primary education, basic health care and other social services that are generally considered to be typical local services (see also Boex, 2003). Furthermore, there have been a number of local government initiatives which hold promise—including some decentralization to the local level and possibly also improved service delivery to the local people. However, notwithstanding the different “policy” initiatives which have come into existence to improve the local governance system in Tanzania, the reality for good governance therein remains decidedly less promising.

As Rhodes has argued, “governance is about managing networks” (1996, p. 658). The network form of governance, according to Larson (1992), emphasizes inter-organizational reputation, trust, reciprocity, collaboration and complementary interdependence. Hence, essential to the concept of good *local* governance is how broader interaction between various actors and stakeholders in local governance may be improved. Both rational and sociological institutional frameworks were very instrumental in this chapter in analyzing the nature of relations and networks between and within actors in the local governance system in Tanzania. Central to these frameworks is an understanding that governance is not only about managing resources or people within institutions, but also about understanding how relationships among different actors influence their effectiveness and improve the outcome of the political processes. However, managing networks and interactions, and the division of

responsibilities between and among different actors and players, remains one of the major challenges to good local governance in Tanzania.

For instance, as indicated in this chapter, the relations between central and local governments revolve around the principal–agent model, where LGAs implement national policies supervised by central ministries and departments. While Rhodes (1997) argues for a semblance of balance in central-local relations as necessary for the spirit of good governance to emerge, the analysis in this chapter clearly indicates that the central government in Tanzania is still mired in the philosophy of “big brother” (Liviga, 1992, p. 223) with regards to its relationship with local governments. As will be discussed in the next chapter, even with the LGRP reforms central authorities in Tanzania have yet to acknowledge this important adaptation. Oftentimes, the central government cites local government’s poor performance, inefficiency, lack of local initiatives and lack of technical capacity to plan projects as the reasons for intervening in local affairs. Most importantly, historical institutionalism helps us to understand how the central–local government interface in Tanzania follows a similar pattern to that which characterized the colonial as well that the post-independence local governance systems where power was kept at the centre despite the existence of different local units of governance.

For instance, the Permanent Secretary in the PMO-RALG stated in his presentation at the *National Convention on Public Sector Reforms* stated that, “... perhaps due to lack of legal harmonization, or clarity of the ‘rules of the game’ as has been said from time to time, there was a situation where central organs continued to influence LGAs and

give directives and implement activities” (United Republic of Tanzania, 2008, pp. 19-20). Similarly, this is what one of the bureaucrats from the PMO-RALG had to say to me: “. . . our purpose is to accelerate development at the grassroots level . . . because LGAs alone cannot do it” (June 2009). Even so, as Liviga (1992) has pointed out, there must be factors other than these contributing to the current state of affairs. Liviga (1992) argues further that, while factors such as those cited by the PMO-RALG were really intended only to disqualify the LGAs, these alone cannot constitute a sufficient justification for central control of local government because central government itself suffers from the very same problems.

Nevertheless, one of the great contributions of rational choice institutionalism has been to emphasize the role of strategic interaction in the determination of political outcomes (Hall and Taylor, 1996). One of the roles institutions play is to structure such interactions, by affecting the range and sequence of alternatives on the choice-agenda or by providing information and enforcement mechanisms that reduce uncertainty about the corresponding behaviour of others and allow “gains from exchange,” thereby leading actors toward particular calculations and potentially better outcomes (Hall and Taylor, 1996, p. 12). However, based on the analysis of this chapter, I think, as does Mfaume (2003), that Tanzania still has a long way to go before the local governance system is transformed into a viable, autonomous, service-delivering institution.

In 2000, the Local Government Reform Program (LGRP) was introduced to improve the quality of the local governance system, with a direct focus on producing good governance as an output of LGAs in Tanzania (United Republic of Tanzania,

2000). Through the LGRP, LGAs were expected to make their own decisions about human, financial and physical resource allocation in a transparent manner, and to be accountable to the local electorate. According to government publications, the government of Tanzania prepared the LGRP so that autonomous LGAs would deliver services according to locally defined needs (United Republic of Tanzania, n.d.b). As I conclude this chapter, I argue that, even if perhaps too much attention has been paid to the LGRP as a remedial measure for local governance problems, there is still a need to discuss whether there is anything that is actually new within the LGRP. This analysis is the subject of the next chapter.

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CHAPTER SEVEN

INSTITUTIONAL IMPACTS OF THE LOCAL GOVERNMENT REFORM

PROGRAM ON GOOD *LOCAL* GOVERNANCE IN TANZANIA

It is my conviction that the implementation of the Local Government Reform Program . . . will contribute to . . . (good governance and) . . . significant reduction of the proportion of the people who are living in poverty. (Former Tanzanian President, Benjamin William Mkapa, June 2002)

7.1 Introduction

In response to public concern over deteriorating socioeconomic conditions at the local level in Tanzania, the ruling party CCM promised in its election manifesto of 1995 that, if re-elected, it would strengthen the local governance system with the overall objective of improving the quality of, and access to, public services provided through or facilitated by Local Government Authorities (LGAs).

Following their landslide victory in October 1995, the CCM government formulated a policy paper on the Local Government Reform Program (LGRP) which was published in 1998. The substance of this policy paper is based on recommendations from the National Conference on the Vision for Local Government in Tanzania (May 1996), the Local Government Reform Agenda (November 1996), and recommendations made by presidential commissions and committees as well as by researchers and experts from the local government field (United Republic of Tanzania, 1998). Further recommendations for this policy paper came from stakeholders' workshops on local government reform, recurrent policy statements by the President, the minister and other political leaders, and the preparatory work done by the Offices of the President (United Republic of Tanzania, 1998). According to Ngware (2004), the LGRP also drew upon a very broad policy framework based on Vision 2025 and the National Strategy for Growth and Reduction of Poverty (NSGRP) which were discussed previously in Chapter Three.

Implementation of Phase I of the LGRP, or LGRP I, began in January 2000 and ended through June 2008. By the end of Phase I, the LGRP was expected to have improved quality, access and equitable delivery of public services—particularly to the poor—provided through reformed and autonomous LGAs (United Republic of Tanzania, 2005a). However, review of a variety of literature and empirical works indicates that, over its eight years of operation, the LGRP failed to realize most of its objectives. This state of affairs, coupled with my analysis of the current system of local governance in Tanzania, raises questions both about the nature of the LGRP and the implementing institutions. As such, the new institutional framework employed in this

study helps us in understanding the nature, dynamics and methods of governance in the LGRP. More specifically, both rational and sociological approaches to new institutionalism will help us to understand how actors sometimes respond *only* to interest-based incentives (see Abbott, 2007).

This chapter provides an analysis of the LGRP that is based on its main policy goals and their impact on the overall institutional performance of LGAs. I begin the chapter by re-stipulating the core of what “good governance” means in relation to the reform initiatives in Tanzania. Then, I revisit the objectives of the LGRP and track the LGRP’s impacts on the overall performance of LGAs. This analysis helps the reader to link the ambitions of the LGRP with the actual state of the local governance system in order to see “what is new” and “what is not new” under the LGRP. Drawing upon the responses of my interviewees and review of some empirical studies, I discuss what I see as major structural concerns in the workings of the LGRP in its entirety.

Since reform is central to most developing countries, I strongly believe that an analysis of this kind can also be useful in understanding development initiatives throughout Sub-Saharan Africa (SSA). As an overall lesson or suggestion for other countries in SSA, I indicate in this chapter that there is an urgent need to examine institutional mechanisms under which decentralization reforms (such as the LGRP) can actually foster local ownership and benefit the majority of the population within a given country. This chapter builds on the proposition that, unless someone addresses “institutional shortfalls” within the greater system of governance, any policy or reform

initiative aimed at improving good governance at the local level will ultimately fail to deliver.

7.2 Good Governance and the LGRP in Tanzania

7.2.1 An Overview

As discussed in earlier chapters, good governance (as a new approach to development) has been a main agenda in policy statements and development initiatives in most developing countries since the early 1990s. In most of these countries, however, good governance is associated with a broad-based reform strategy and a particular set of initiatives to strengthen local institutions with the objective of making the system of governance more accountable, more open and transparent, and more democratic. According to Harrison (2001), reform has become a key component in the translation of the ideas of good governance into concrete, donor-funded projects. As such, good governance has become a major condition attached by the World Bank and other donors to aid given to developing countries. In general, and also within the context of this dissertation, good governance increasingly stresses the importance of building local *ownership* and creating a more *efficient* and *effective* system of governance capable of addressing local needs.

Often responding to donor pressure, developing countries have been urged to adopt participatory approaches to their development programs as a means of influencing policy and embedding good local governance (Gaventa and Valderrama, 1999). These approaches hold that more consistent and collaborative processes for holistic and profound reflection and learning are fundamental to improving the practice of aid and

the entire system of governance (Eyben, 2004). In the way that it prescribes local participatory approaches, Tanzania's national framework for good governance also recognizes the networking and interconnectedness of the key players in governance—central government, local government, civil society and private sector—and that there is no single thing that one player does that does not concern the other players (discussed earlier in Chapter Three). Hence, both rational and sociological institutional approaches help us to understanding the dynamics of partnership and engagement among different players or actors in the LGRP, and this is a critical concern of good governance (see Rhodes, 1997; Panini, 2009).

7.2.2 The Objectives of the LGRP

Ever since the early 1990s, Tanzania's government (in partnership with other donors) has embarked upon ambitious and far-reaching reform programs to improve the socioeconomic condition of the country. One of these reforms is the LGRP, a remarkable effort to shift the locus of development-fund control to local levels of governance (see Chapter Three). The LGRP was part of the perceived “second wave” of decentralization which has been increasingly implemented in a number of developing nations. As indicated in *The State of Decentralization and Local Governance in Tanzania*:

The rationale for decentralization in Tanzania was the desire by government to enhance efficiency in executing development projects and in the provision of services which were under the control of the central government. Central government ministries then held control over financial and human resources,

instructing the councils through Regional Administrations in the operationalization of service delivery responsibilities at the local government level, in a situation that did not bring the required outcomes. (n.d., para. 4)

More specifically, the overall objective of the LGRP is to build the capacity of the LGAs (through the D-by-D) to enable them to assume greater responsibilities, to deliver services more efficiently, and to exercise control over their own resources more extensively (United Republic of Tanzania, 1998). More specifically, the LGRP is intended to improve the quality, access and equitability of public service delivery—particularly to the poor—that is to be provided through reformed, autonomous LGAs. Its overall goal is to reduce the proportion of Tanzanians living in poverty.

7.2.3 Good Governance as a Key Component in the LGRP

In Tanzania, good governance constitutes a key component in the local government reform agenda. According to government publications, the pursuit of good governance underpins the entire approach of the LGRP: to ensure that the delivery of public services by government or other agencies is carried out in the interests of the people who determine the sovereignty and general will of the nation-state (United Republic of Tanzania, 2000b; PMO-RALG, 2004). Such emphasis on good governance ensures that LGAs are empowered to deliver and facilitate the provision of social services by taking ownership of the administrative processes that guide governance in the context of people's needs and interests within a strict adherence to the rule of law (United Republic of Tanzania, 2000b).

The *Baseline Impact Assessment Study for the Local Government Reform Program* considers good governance as a desired output of the political structure and processes of the local governance system in Tanzania (United Republic of Tanzania, 2000a). Hence, LGAs were supposed to institutionalize participatory mechanisms that would involve people in development-plan formulation and implementation. Such an approach would “constitute a mechanism through which people own the development process and become active actors of the system alongside functional actors in the LGAs” (United Republic of Tanzania, 2000a, p. 85). More precisely, it is argued in Booklet No. 2 of the Local Government Secretariat’s *An Introduction to Good Governance Principles for Local Governments*, that in order to improve good governance at the local level in Tanzania, the LGRP must address the following:

1. Giving LGAs political power over all local affairs;
2. Improving financial and political accountability;
3. Enhancing and securing finances for better public services;
4. Creating a better and more effective local government administration answerable to the local councils;
5. De-linking local personnel from parent ministries and making them accountable to the councils; and
6. Establishing new central–local relations based not on orders but on legislation, consultations and negotiations (PMO-RALG, n.d).

The above tenets of good local governance are incorporated into the government’s policy paper on the LGRP (1998), which gives an overview of their vision of a new local government system after the LGRP. This LGRP vision includes four main policy

goals: (i) political decentralization, (ii) fiscal decentralization, (iii) administrative decentralization, and (iv) changed central–local relations (United Republic of Tanzania, 1998).

Political Decentralization – This component of the LGRP involves the devolution of powers to lower-level units of government. According to the United Republic of Tanzania (1998), political decentralization would give LGAs more power in public decision making, including formulation and implementation of policies that affect them directly. Hence, by the end of Phase I of the LGRP, LGAs were expected to be the most important and effective local political bodies within their jurisdictions (United Republic of Tanzania, 1998).

Fiscal Decentralization – As we will see later in this chapter, fiscal or financial decentralization is a core component of the LGRP. This component of decentralization involves devolution of taxing and spending powers to lower levels of government (Fjeldstad, 2001). According to government publications, this principle would allow LGAs to pass their own budgets, reflecting their own priorities as dictated by local conditions and the needs of their people (United Republic of Tanzania, 1998). An important aspect of this component of the LGRP is to increase the fiscal autonomy of the LGAs, while observing certain mandatory expenditure requirements to attain national standards and improving the central–local fiscal transfer system to ensure that LGAs receive adequate, unconditional grants in a timely and efficient manner (United Republic of Tanzania, 1998).

Administrative Decentralization – This component of the LGRP involves the unlinking of the LGAs’ staff from their sector ministries. This system would enable LGAs to be fully responsible for planning, recruiting, rewarding, promoting, disciplining, developing and firing of their own personnel. Local councils would be the appointing authorities and employers for all local government personnel, including teachers, health staff, and the like. Moreover, LGAs would employ the Council Director and department heads and would adopt their own staffing plans and budgets. Accordingly, this system would enable LGAs to improve service delivery and enhance accountability to their local councils and people (United Republic of Tanzania, 1998).

Changed Central–Local Relations – With the introduction of the LGRP, the role of the central government was expected to change so as to allow more autonomy within the LGAs. According to the United Republic of Tanzania (1998), the Regional Administration Act, No. 19 of 1997 was revised in 1999, and the principal legislation on local government in 2000, to put into effect good-governance reforms by redefining central–local relations to allow greater autonomy of, and devolution of decision-making authority to, the LGAs. At the end of LGRP I, LGAs were expected to be autonomous in making policies and operational decisions consistent with the laws of the land and government policies, without interference by central government institutions (United Republic of Tanzania, 1998).

7.3 Tracking the Institutional Impacts²⁸ of the LGRP on the Performance of LGAs

7.3.1 An Overview

The institutional vision for a new local governance system after the LGRP was such that it should meet local challenges and be more instrumental in the ongoing fight against the three major development enemies of Tanzania, namely poverty, ignorance and disease (Ngwilizi, 2002). The LGRP was intended to have an impact on the functioning of the LGAs and ultimately upon the lives of Tanzanians by delivering tangible results within its time frame (2000–2008). Unfortunately, despite donors’ commitment to the LGRP, “the reality remains decidedly less promising” (Interviewee, Mvomero District Council, July 2009). Hence, in this section, I will cross-validate the entire LGRP and its outcomes against the tests for good governance earlier described, by reflecting on the policy goals of the LGRP as identified in the LGRP policy paper of 1998. Moreover, since the LGRP represents a balanced approach to governance that involves both the external dimension (donors’ involvement) on one hand and internal dimension (nation-state initiatives) on the other, I will do a critical analysis of donors’ involvement in the LGRP and its impacts on local development initiatives. Based on this analysis, I will discuss the question of ownership and beneficiaries in the LGRP and its processes.

7.3.2 What is “New” with the LGRP?

²⁸ Note that this study does not intend to track the impacts of the LGRP from the perspective of the local citizens, but rather from the institutional perspective of the local governance system in Tanzania.

Responding to the question, “Has the system of governance in the LGAs been improved by the LGRP?” most of my respondents indicated that they have perceived only a very slight improvement so far. In line with this, a number of other empirical studies have pointed out several institutional shortfalls that jeopardize the reform process, even when donors have provided firm financial support for the LGRP. On the part of government, most of my respondents indicated that the process of decentralization as a whole is merely “hypnosis,” designed by the government to convince donors that good governance exists in the country when it does not. For instance, a respondent from Mvomero District Council stated, “The reform has been largely theoretical; it has not taken place, as can be read in various documents.” He added, “In fact, there has been no empowerment at the grassroots level to allow people to decide and implement their own development priorities” (July 2009).

Since many of the institutional shortfalls of the local governance system in Tanzania are discussed in Chapter Six, I will focus more specifically on the two institutional visions of the LGRP, namely administrative and fiscal decentralization, that have not been discussed in detail thus far. While Gaventa and Valderrama (1999) argue that both administrative and fiscal decentralization seem to be necessary indicators for good governance at the local level, responses from my interviewees consistently suggested that there has been very little achievement in these two policy areas, mainly due to resistance within the central government against devolving powers over finance and human resources to the LGAs.

Administrative Decentralization

One of the cornerstones of good local governance is effective administrative decentralization (PMO-RALG, n.d). As noted in the *An Introduction to Good Governance Principles for Local Governments*, administrative decentralization includes the mechanisms and processes that enable a society to achieve more sustainable and people-centred development at the local level (PMO-RALG, n.d). This has also been identified as one of the most important aspects of the LGRP because it grants human resource autonomy to the LGAs for the recruiting and managing of their own staff. However, according to my respondents, such autonomy exists more in the newspapers and policy papers than in any real, practical way (Interviewees, Mvomero District Council, July 2009; Temeke Municipal Council, August 2009).

Commenting on administrative decentralization, most of my interviewees indicated that they felt that powers were still de-concentrated in the central government ministries, departments and agencies (MDAs). According to a respondent from Arusha Municipal Council, “Powers for decision making and for resource allocation remain at the central government” (July 2009). Most importantly, LGAs continue to have only very limited control over local personnel decisions, as the approval of local government posts continues to be controlled centrally by the President’s Office–Public Service Management (PO–PSM) (United Republic of Tanzania, 2007). A respondent from Temeke Municipal Council stated:

So far, LGAs have no power to employ personnel; everything is done by the central government through the PO–PSM. So what is done at the local level is just to identify needs and notify the PO–PSM; they [the PO–PSM] will then advertise for those positions, recruit personnel, and then dispatch them to the appropriate LGAs. (August 2009)

In line with my respondents, the United Republic of Tanzania (2008) argues that although 60 per cent of government employees are employed at the LGA level, the central government is often reluctant to let go of power, and human resource allocation is not always done to the benefit of local governments. The United Republic of Tanzania (2008) indicates that transfers of local staff away from an LGA can happen on very short notice, often leaving a gap in key positions (such as treasurer), which is detrimental to the functioning of the LGA. On the other hand, it is also noted that transfers into an LGA can sometimes happen without consultation or in response to any identified need, or without competition for the best candidate (United Republic of Tanzania, 2008). As a whole, this is not consistent with the values of good governance and the overall objectives of the LGRP.

It is argued in the *Local Government Fiscal Review, 2007* that this lack of decentralization in the realm of human resource management has important implications for the system of intergovernmental fiscal relations, in that overall it creates an unequal allocation of resources among LGAs (United Republic of Tanzania, 2007). As such, the *Local Government Fiscal Review, 2007* argues that “the centralization of human resource decisions is fundamentally a policy choice made by Tanzania’s political leadership that will need to be resolved at the highest policy levels” (United Republic of Tanzania, 2007, p. 6).

Fiscal Decentralization

The devolution of taxing and spending powers to lower levels of government, or *fiscal decentralization*, has become an important premise of governance in many

developing countries in recent years (Fjeldstad, 2001). In Tanzania, since LGAs are highly dependent on allocations from the central government to fund their core responsibilities, the system of intergovernmental fiscal grants plays a crucial role in assuring the adequate, efficient, and equitable delivery of social services at the local level (Boex and Martinez-Vazquez, 2003). The fiscal component of decentralization in Tanzania shows that LGAs continue to have limited control over local expenditure, reflected by centralized control over local public servants and a limited degree of revenue autonomy, among other elements (United Republic of Tanzania, 2007). As discussed in Chapter Six, even with the introduction of the D-by-D, the level of fiscal autonomy of the LGAs and their discretion to set local expenditure priorities continues to decline.

In Tanzania, LGAs have three major sources of funding: *own revenues*, *central government transfers*, and *development aid*. Further to what I have discussed in Chapter Six, Fjeldstad (2001, 2004) has indicated that LGAs' own revenues represent less than six per cent of total national tax revenues in Tanzania on average since 1996. According to Fjeldstad (2001), these revenues are mainly used to finance minor operational costs, especially the salaries of local government employees, whereas the bigger portions of the operational costs are funded by central government transfers. On the other hand, in 1994, central government transfers funded 85 per cent of the total operational costs in district councils, and 75 per cent in urban councils (Fjeldstad, 2001, p. 2). However, "in reality LGAs have been given directives by central government that have required them to utilize those grant funds for other projects" (United Republic of Tanzania, 2008, p. 14; see also Appendix 4). Regarding

investments, many LGAs are almost completely dependent on donors. Fjeldstad gives a sample of LGAs in the regions of Arusha, Kagera and Shinyanga, where more than 93 per cent of the LGAs’ investment budgets in 1996 were funded by various donors (2001; see also the Economic Research Bureau [ERB], 1997). Table 7.1 gives an overview of revenue accruing from LGAs’ own sources against government grants and donor funding for two fiscal years, 2005–2006 and 2006–2007.

Commenting on fiscal decentralization, a respondent from Temeke Municipal Council said, “. . . everything is still done by the central government . . . so the decentralization process is not effective at all” (August 2009). Given this limited degree of LGA fiscal autonomy, it was however unclear to many of my respondents as to how the local government revenue system might improve as part of the evolving fiscal decentralization process.

Table 7.1 – Comparison of Revenue accruing from LGAs Own Sources against Government grants and Donor funding for the Years: 2006–2007 and 2007–2008²⁹

Financial Year	Total revenue from LGAs own sources (TShs.)	Total Government Grants/Donor Funding (TShs.)	% of Total revenue own sources to total Government grants & Donor funding
2006/07	77,310,930,607	914,713,448,103	8.5
2007/08	93,545,987,812	1,140,847,566,087	9.2

Based on the above information about local sources of funding as well as Table 7.1, I concur with the United Republic of Tanzania (2008) that,

²⁹ From the Annual General Report of the Controller and Auditor General on the Financial Statements of Local Government Authorities for the Financial Year 2007/2008, p. 121.

To have a fully devolved system of local government it is essential that the LGAs have robust revenue sources that will finance improved local service delivery as well as encourage accountability to the local taxpayers. Failure to ensure such revenue sources for local government means that LGAs rely solely on central government grant transfers, and this effectively de-links local leaders from their electorate, weakens accountability and concern for cost-effectiveness. (p.14)

On the other hand, the *Local Government Fiscal Review, 2007* argues that the way forward will depend in part on the speed and degree to which the central government ministry responsible for local governments establishes an environment more conducive to sound local government revenue administration (United Republic of Tanzania, 2007). However, the same review indicates that there is an institutional vacuum in regard to the PMO-RALG's supervisory role in the area of local taxation (see Appendix 4). It is argued in the *Local Government Fiscal Review, 2007* that:

Whereas this role is legally assigned to PMO-RALG in the Local Government Finance Act, this function is not specified as part of the organizational responsibilities of PMO-RALG's LGA Finance Section within the Directorate for Local Government. In the absence of any institutional ownership over local government revenues by PMO-RALG, the Government's policy stance towards local revenues is informed more by the limited revenue potential of local government revenues (compared to central government revenue sources), while not adequately taking on board the interests of local governments and considering the importance of (some) local revenue autonomy and accountability for local governance in Tanzania. (United Republic of Tanzania, 2007, pp. 11–12)

Another notable feature of fiscal decentralization identified in the *Local Government Fiscal Review, 2007* is that recurrent spending in Tanzania is considerably more decentralized than the development budget. For instance, as shown in Table 7.2 below, in Financial Year 2006/07, 24.35 per cent was allocated for recurrent spending while only 16.95 per cent was allocated for development spending. According to the review, this tendency of centralizing development-spending budgets reveals a hesitance

on the part of the central government to provide local government with substantial expenditure discretion (United Republic of Tanzania, 2007).

Table 7.2 – Expenditure Decentralization in Tanzania: Recurrent and Development Budgets by Central and Local Government, Financial Year 2006–2007³⁰

	Tanzania Shilling (Billion)			Percentage of Total		
	Recurrent Budget	Dev. Budget	Total	Recurrent Budget	Dev. Budget	Total
Central (MDAs)	2,316.75	1,685.67	4,002.42	73.73	80.72	76.52
Regions	60.51	48.80	109.31	1.93	2.34	2.09
LGAs	765.07	353.94	1,119.01	24.35	16.95	21.39
Total	3,142.33	2,088.41	5,230.74	100.00	100.00	100.00

What’s Wrong with Administrative and Fiscal D-by-D?

All in all, it appears that efforts to improve financial management have been given more attention than the other three goals highlighted in the LGRP. A consultant from the Local Government Centre, Mzumbe University stated, “Among these four policy areas, fiscal decentralization has received mounting attention, especially from donors.” When I asked him, “Why only this area when there are four in total?”, he said, “. . . because donors are very concerned with their money!” He added, “They don’t care about conflicts between councillors and bureaucrats, but their money. . . . In fact, donors do not trust government actors with money, ever . . .” (August 2009). This was

³⁰ From the Local Government Fiscal Review, 2007, p. 7.

another “puzzle” that donors only demand an accounting of the expenditure of their money, not the actual impact that the LGRP has on the local people.

In general, as a reflection of the rational view of institutions, we can see why the decentralization process in Tanzania has been difficult to design, let alone implement authoritatively. Also, taking into account the central government’s supremacy over LGAs in both financial and human resource management, it appears that the central government has had its own interests or preferences constrained within the institutional settings of the LGRP. Hence, the challenge would be to design an institutional mechanism that can effectively manage the transition from non-reformed to reformed, to allow for the full D-by-D of the local governance system. This is what I see as one of the major problems in the nature of the local governance system in Tanzania. In short, the lesson here may be that local autonomy without a basis in financial and human resources is an empty vessel indeed, and that the LGRP is essentially a fraud.

7.3.3 Rethinking the Role of Donors

Although governance reforms depend much on the existence of the government’s political will, they also depend on the coordinated support of donors.³¹ In Tanzania, donors have supported reforms since the first structural adjustment programs of the 1980s. An overarching goal of the donors in supporting the LGRP is that the program continue to promote good governance by providing benefits, and that it exert an effect on government administrative performance and political decision-making procedures at

³¹ The Tanzanian government prefers to use the term *development partners*, which is a reflection of joint donor–government efforts in promoting good governance. However, for the purpose of this study, I will use the term *donors*.

one or several governmental levels, before and after program closure (see also Organization for Economic Co-operation and Development [OECD], 2004). Based on a review of government documents, the LGRP appears to have been one of the most donor-coordinated reform programs in Tanzanian history.

In 1998, the government of Tanzania established its first Common Basket Fund (CBF), in order to harmonize and align government and donor funding for the LGRP (Nyimbi, 2008). According to Nyimbi, “The CBF arrangement provided a coordinated, harmonized opportunity for the Tanzanian government and donors to pool their funds, use a common accounting and management structure, and disburse and monitor funds in a cost-effective, accountable manner” (2008, p. 5).

Donor Involvement in the LGRP

My first concerns with donors in Tanzania are what their roles within the LGRP process specifically are and how effective these roles are. According to an expert from the Japan International Cooperation Agency (JICA), the role of donors is to support the government’s efforts to develop sustainable capacity at the local level of governance (August 2009). This is facilitated through financial and technical assistance to the government and non-state actors (United Republic of Tanzania, 2006).

However, most of my interviewees from the PMO-RALG as well as the LGAs had narrow understandings of the roles of donors. When I asked the question on “the roles of donors” to one councillor from Mvomero District Council, he responded:

. . . it [the donors’ role] is mainly about education and training aspects. They allocate resources to facilitate training for councillors and other stakeholders, so as to know the importance of reforms . . . but this training is conducted very far from where we live . . . it is true that the donors pay for transportation, food and accommodation for councillors, but they provide very little pocket money. . . . It is important for them to consider paying us a reasonable allowance instead of treating us like students. (July 2009)

Another respondent from the PMO-RALG stated, “Basically, because the country does not have a distinct development strategy, the role of donors is to give directions and funds to accelerate local development” (July 2009). Another respondent from the same office stated that “donors make a great contribution to the development of this nation and the LGRP in particular. They establish criteria for funding development projects which eventually create more accountability and integrity in the government” (July 2009).

In principle, donors are committed to providing support to developing countries on the continuous and predictable basis needed for rational planning and the building of an effective governance system. But as Buse and Booth (2008) point out, for domestic political reasons, most donors tend to have a low tolerance for government actions seen as infringing on good governance and basic human or civil rights. All in all, in a country like Tanzania where aid dependence is high, donors’ influence over domestic policies and development programs is extremely noticeable.

My second concern was, “How does the donor–government interface work?” In this case, my interviewees and literature research tell conflicting stories about whether relations between donors and government are improving or worsening the governance system. For instance, a consultant from the Local Government Centre, Mzumbe University indicated that this interface has been characterized by a top-down system of decision making. According to him, “Government has no authority in the issue of reform at all, as everything is top-down [donor to government].” He added, “. . . they are the ones who set the agenda . . . reform is driven by donors and the government just follows” (August 2009). Similarly, a respondent from the PO-RALG said, “. . . we have no purpose, so donors lead . . . no distinct development strategies, so everything is centralized under the influence of donors” (July 2009).

On the other hand, Harrison (2001) has coined the concept of *post-conditionality*, which does not mean an end to donor intervention as one might assume, but rather implies that donors are able to impose their will not through explicit and visible conditionality, but rather through the exercise of ideological hegemony in aid-dependent recipient countries. Harrison argues further that given post-conditionality, donors’ involvement with state institutions and the employment of incentive financing is significantly high. According to Harrison, while this makes the role of donors less visible, it also makes their role more powerful.

As a whole, while the share of development spending in total government spending for Tanzania increased from 21 per cent in 2000 to 31 per cent in 2003, during that period the country was still dependent on external assistance for an average of 35 per

cent of its annual expenditure (Forum, 2008). Based on the *Tanzania Country Analysis*, Tanzania's own contribution increased from 12 per cent to 20 per cent between 2000 and 2002, before falling back to 16 per cent in 2003 (Forum, 2008). Luttrell and Pantaleo (2008) have noted that, for Financial Year 2007–2008, donors financed around 42 per cent of the total government budget (US\$673 million) and 80 per cent of the development budget compared to only 30 per cent (US\$277 million) in Financial Year 2002–2003. This scenario, among other things, infringes on local autonomy and ownership of development initiatives in Tanzania.

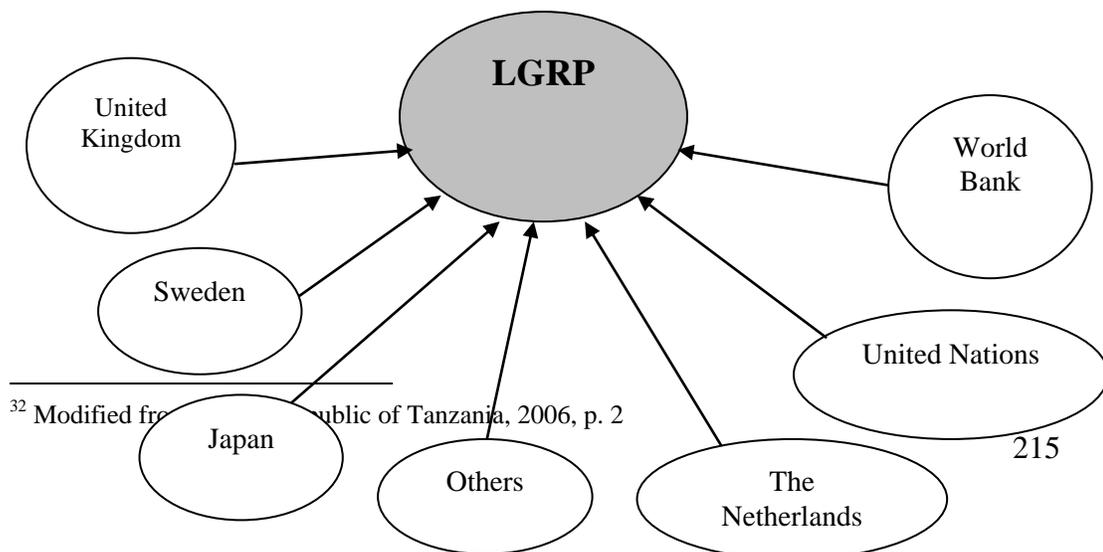
Donor–Donor Interface

My third concern was how the donor–donor interface works, and whether this interface affects the system of governance in a recipient country. Broadly speaking, donors cannot simply be regarded as a united entity with a single aim of supporting the LGRP. My interviews with different stakeholders demonstrate that, while they all focus on the LGRP, there is a great divergence of interests among them. For instance, an expert from the JICA said, “. . . but you need to understand that as donors, we have our own agendas or interests in supporting a country like Tanzania, so those interests come first . . . but, we are trying to work as one, especially when addressing central issues in the government” (August 2009).

Similarly, Buse and Booth give a scenario where in Tanzania, “donors themselves reported problems including a lack of donor leadership on key issues (such as human resources) and divisions among themselves on several issues (such as fiscal space, user fees, choice of aid modalities)” (2008, p. 14). Buse and Booth give further illustration:

donors would sometimes disagree on technical strategies in relation to reforms (such as human resources) and on tactics. A related claim was made by the expert from the JICA: that there are sometimes different understandings and beliefs among donors on what decentralization should be. She pointed to an example: “While my country [Japan] believes in partial autonomy as a necessary part of the real decentralization, the Netherlands, for instance, believes that proper decentralization can only be feasible when full autonomy is devolved to the LGAs.” She added, “. . . sometimes there is a huge disagreement between us” (August 2009). On the other hand, some donors have maintained a certain degree of autonomy and continuity on specific sectoral projects; for example, UNESCO, USAID, WHO, and others that are sector-specific donors. According to Buse and Booth, this institutional perplexity makes it “hard to push for reforms” (2008, p. 14).

*Figure 7.1 – Diversity of Interests among LGRP Donors*³²



In Figure 7.1 above, every arrow represents a source of funds to the LGRP that is tied to individual donor's interests, priorities, requirements, procedures and processes in supporting Tanzania in general and the LGRP in particular. While I do not attempt to evaluate donor support in the LGRP, it is necessary to consider that donors are likely also donating because it serves their self-interest. From my personal observations, the Tanzanian government feels overwhelmed and frustrated by the need to accommodate these multiple interests, especially when a single project is funded by more than one donor. Even though I could not secure an interview with any senior government official in the PMO-RALG to confirm this view, based on the rest of my experiences and research, I believe this situation impedes the effectiveness of the LGRP.

Solanus Nyimbi, who is the Director of Local Government in the PMO-RALG, stated in his presentation, *Harmonization and Alignment in the Field of Local Governance and Decentralization: The Tanzanian Experience*, that “the process of harmonization, alignment and coordination among development partners can be tiresome due to the different expectations of partners involved” (2008, p. 8).

A similar claim has been made by Buse & Booth (2008), who argued that basket-funders in Tanzania impose soft conditionalities in their “side agreements” with the government each year—which are different from the “undertakings” agreed upon at the Joint Annual Review. According to Buse and Booth (2008), this tendency underscores

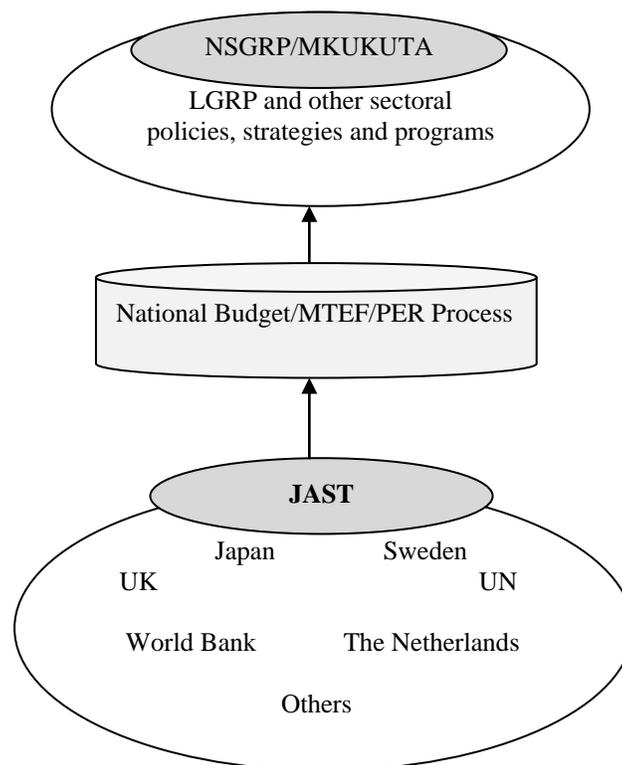
the disparate messages coming from donors, and ultimately leads to a lack of traction on key development issues. Nonetheless, donors' multiple interests in supporting the LGRP and other development projects is significant for new institutionalists. Reflecting on the rational view of institutions, the LGRP experience in Tanzania demonstrates how donors' preference formation can take place within the constraints of the preferences or priorities imposed by the LGRP framework.

However, according to the JICA expert interviewed (August 2009), donors are shifting towards a joint financing strategy called the Joint Assistance Strategy for Tanzania (JAST). The overall objective of the JAST is to contribute to sustainable development and poverty reduction by consolidating and coordinating government efforts and donor support under a single government-led framework that is in line with the National Vision 2025, the National Strategy for Growth and Reduction of Poverty (NSGRP) discussed in Chapter Three, and other national-development and poverty-reduction programs (United Republic of Tanzania, 2006).

Figure 7.2 shows how the Joint Assistance Strategy for Tanzania consolidates donor influence, with donors aligning their assistance, both technical and financial, with national development goals such as the NSGRP and processes such as the LGRP (United Republic of Tanzania, 2006). This conception of the Joint Assistance Strategy is also reflected in the *Report of the South Commission*, which indicates that “while external assistance can promote development, this assistance has to be integrated into the national effort and applied to the purposes of those it is meant to benefit” (1990, p. 11).

The JICA expert concluded by saying, “We have not yet succeeded, but we have seen improvements on our synthesization . . . even the LGRP II, which will possibly start soon, has been assessed jointly.” She added, “We think in the future, General Budget Support (GBS)³³ is the best approach . . . but it is hard to implement unless you have a responsible government” (August 2009). However, I do not see how a “synthesization” through JAST would promote local ownership.

Figure 7.2– Joint Assistance Strategy for Tanzania³⁴



³³ GBS is the Tanzanian government’s preferred aid modality, and has been associated with greater ownership, harmonization, alignment, managing of results, and mutual and domestic accountability (United Republic of Tanzania, 2006, p. 16).

³⁴ Modified from United Republic of Tanzania, 2006, p. 2

7.3.4 The Question of *Ownership*

Along similar lines as my argument regarding foreign ownership of SAPs in Chapter Three, donor power and influence over the development policies and programs of recipient countries has raised concerns about the “ownership” of the LGRP in Tanzania. In his analysis of the strategies for donors in assisting institutional reforms in SSA, Addison argues that, while reform ownership has been the rallying cry for decades in Africa, it has indeed become a “devalued coin” and many state actors regard it with “cynicism” (2003, p. 71). According to the United Republic of Tanzania (2006), national ownership means that citizens, through their government, undertake responsibilities in managing the country’s development and poverty-reduction processes. It includes the active participation of citizens in formulating, implementing, monitoring and evaluating the country’s development and poverty-reduction policies, strategies and programs.

When I asked a local government consultant from the Local Government Centre, Mzumbe University, “Who owns the LGRP?”, he stared at me for a while and then responded, “Donors finance over 95 per cent of the reform, so what would you expect?” (August 2009). He added, “I did an analysis of the LGRP and the government of Tanzania contributes less than two per cent of the entire cost of the LGRP.” In this context, where one party is perceived to be weaker than the other, with few financial or technical resources to propose or implement programs, ownership by the weaker party is difficult to achieve (Tsikata, 2003).

However, the consultant from the JICA did note that there have been some efforts made, especially through the JAST, to change this, by redefining partnerships and promoting ownership, improving coordination and aid-delivery mechanisms, paying greater attention to capacity building, improving budget management, and attaining development goals (August 2009; see also Wangwe, 1997). Hyden (2005) makes a pessimistic claim that, while the government of Tanzania may own the development process, the donors still determine its direction and set its parameters. Be this as it may, Tsikata has pointed out that a “. . . recipient country’s ability to influence its reform ownership depends on the size of its financial resources, its human capabilities and its strategic importance” (2003, p. 32). Therefore, I agree with both Hyden and Tsikata that unless the institutional mechanism for accountability is improved, there is still a long way for Tanzania to go before it can realize its ambitions of ownership.

7.3.5 Who are the Beneficiaries?

The question of ownership raises an interesting issue for me, and led to an inquiry into the *effectiveness* of the LGRP. In interviews, a number of my respondents indicated that considerable concern exists regarding the effectiveness (outcomes) of the LGRP. For instance, when I asked the local government consultant from the Local Government Centre, Mzumbe University to give his overall opinion of the LGRP, he laughed, “Let me give you the facts . . . according to my experience, reform funds, just like the HIV/AIDS funds, have made certain people and the government very wealthy.” According to him, any new policy or reform is accompanied by a substantial amount of outside funding, high-tech equipment such as computers, printers and other office

supplies, and a wide range of activities to be performed that end up serving primarily as short-term employment for some people and as sources of income for the government.

I asked this same consultant to be more precise about who the beneficiaries in the LGRP are. He responded, “Bureaucrats both from the central and LGA levels benefited a lot, with all kinds of resources from the LGRP.” When I asked him, “What about the councillors and lower-level officials?” he said, “Councillors and lower-level officials are really in the background. . . . Truly, they are not that happy with the reforms. . . .” According to him, while the bureaucrats are the ones who manage the reform funds, councillors and other lower-level officials are restricted to participating in massive training seminars and workshops to build their awareness of the reform process, as opposed to higher-level bureaucrats.

From this assertion, it appears that “training seminars and workshops” are what many at the grassroots level feel to be the extent of their benefits. One of the reasons for this might be because they have received allowances to attend these seminars and workshops. Since the government has limited means to pay such allowances for local politicians and bureaucrats, donor projects are considered a financial supplement. In responding to the same question regarding “beneficiaries,” a councillor from the Mvomero District Council stated:

Yes, we benefited a lot from the LGRP. We were offered a number of training seminars and workshops, in order for us to clearly understand the reform process. This gives us a sense of ownership in the LGRP as we feel part and parcel of the process. However, this training and these workshops are not adequate because what should have taken a month to three months to complete is conducted in a day or

two only. This leaves councillors with only a partial understanding of the whole concept of the LGRP. (July 2009)

A similar conception of the LGRP's benefits was stated by interviewees from Temeke and Arusha Municipal Councils. However, in contrast, a number of my respondents also complained that their allowances were insufficient. According to government publications, by October 2004, specially tailored training programs were being provided nationwide for 72,000 elected grassroots leaders, 2,537 ward executive officers, 3,447 councillors, 106 council directors and 104 district commissioners (United Republic of Tanzania, 2004, p. 70).

Although my study does not go as far as analyzing local citizens' perceptions of the LGRP, I tend to think that if the local leaders have the kind of perception described above, then citizens will have perceived absolutely no benefit from the LGRP. While there is a general claim that decentralization reforms allow citizens to exercise their voices in the management of local affairs, a number of empirical studies on the impact of the LGRP in Tanzania indicate that community awareness and participation remain very limited (see Boon and Jong 1999; Braathen et al. 2005; Chaligha 2004; Sasaoka 2005). My research leads me to support the latter of these positions.

7.3.6 Even After Such Eight Years . . . !

Having had the institutional shortfalls of the LGRP described to me by so many sources, I began asking my respondents, "What issues do you then believe were best addressed by the LGRP?" I was very surprised that almost all respondents at the lowest levels of the LGAs (ward, village and *Kitongoji*) had similar responses to each other,

and that those from the Municipal/District Council level also had similar responses to each other, but different from the first group.

For instance, a councillor from the Mvomero District Council said, “. . . issues relating to seminars and education of local officials regarding the LGRP were well addressed” (July 2009). Another councillor from the same LGA said, “. . . a number of seminars were provided to local leaders at all levels, including ward, village and *Kitongoji*” (July 2009). Similar responses were also provided by respondents from the lowest administrative level of Temeke Municipal Council. One of them stated, “We received a number of seminars and workshops on the LGRP” (August 2009). On the other hand, a respondent from Mvomero District Council main office said, “There is nothing special about the LGRP . . . no issue in particular was best addressed” (July 2009). A similar response was provided by another bureaucrat from the same office, who simply stated, “Nothing new has been addressed by the LGRP . . . no notable results” (July 2009). An interview with a consultant from the Local Government Centre, Mzumbe University sheds light on why these two groups had such different responses. Derived from his responses is a discussion on the “beneficiaries” of the LGRP described above.

7.4 Summary and Conclusion

Since the early 1980s, Tanzania has embarked on a number of comprehensive public-sector reform programs, and in many cases has received assistance from donors. However, one set of concerns, which seems to underlie policy conclusions in Tanzania, is the replaying of the politics of new policies and programs over and over without any

tangible result or change in people's socioeconomic conditions. However, it appears from my findings that bureaucrats and government actors in Tanzania are fond of new "policies" and "reforms" not because they are interested in making change, but because they benefit personally from these policies and reforms.

There is a clear indication from my research findings that what the government endeavours to do is not actually to solve the problems of governance in Tanzania but to benefit the government and a select group of people in the country. For instance, while the LGRP was expected to contribute to a significant reduction in the proportion of people living in poverty, the population living below the national poverty line (approximately US\$1 per day) just after the LGRP started in 2001 was 35.7 per cent, whereas in 2007 just before the LGRP ended, 33.4 per cent of people lived below the national poverty line (see Ellis and Freeman, 2004).

As I am writing, the LGRP II (2008–2013) is underway in Tanzania. In 2007, the PMO-RALG and donors in Tanzania started jointly preparing and formulating the LGRP II, which is to continue to implement D-by-D (United Republic of Tanzania, 2008). Very specifically, the LGRP II addresses the following:

1. Build on what has already been achieved through the LGRP I;
2. Address important bottlenecks such as human resource autonomy for LGAs;
3. Make the D-by-D effort a government-wide undertaking in a way that LGRP I was not set up to be;
4. Give more emphasis on demanding accountability, and working with civil society;

5. Increase information, education and communication (IEC) efforts to citizens and across ministries, departments and agencies (MDAs);
6. Strengthen lower governance units and appraise further D-by-D from the council level;
7. Implement this through government officials and structures, unlike the LGRP I which was delegated to a separate team. (United Republic of Tanzania, 2008)

The Permanent Secretary in the PMO-RALG stated in his presentation at the *National Convention on Public Sector Reforms* that “it is now time to move on to another phase of devolution” (United Republic of Tanzania, 2008, p. 22) At this juncture it is now appropriate for me to argue that, if there was no tangible good governance resulting from the LGRP I, should we expect anything new from the LGRP II? My personal experience and that of my interviewees suggests that there remains a lack of a sense of citizen ownership of governance policy and reforms and a lack of perceived public interest in implementation at the local level.

As I have indicated repeatedly in this dissertation, in order to achieve good governance at the local level in Tanzania, one needs to address institutional shortfalls within the entire system of governance before one can even think that any new policy or reform will yield positive results. As discussed in this chapter, empirical analysis from both interviewees and literature reviews clearly indicates the gap between the intended “institutional vision” of what a new local governance system after the LGRP I should be and the actual outcome of the current local governance system. The lesson

for new institutionalism is that structural adaptation can hardly induce behavioural modification in light of the twin obstacles of extreme poverty and a political culture that is generally accepting of corruption or other similar practices among public officials.

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CHAPTER EIGHT

SUMMARY, GENERAL DISCUSSION AND CONCLUSION

Africa does not need strongmen; it needs strong institutions . . . that serve the people. With strong institutions and a strong will, I know that Africans can live their dreams. . . . (U.S. President, Barack H. Obama, July 11, 2009)

8.1 Introduction

This chapter summarizes the main discussion and findings of my dissertation and indicates the potential contribution that it makes to the area of governance and institutions, especially at the local level. More specifically, this chapter discusses several implications of my findings to the local governance system in Tanzania. Lastly, this chapter identifies further research that would help improve institutions of governance in Sub-Saharan Africa (SSA).

8.2 Summary and General Discussion

In this dissertation, I have attempted to give an analysis of the institutional architecture of the local governance system in Tanzania through the use of new institutionalism. This analysis has been carried out by exploring the link between institutions and governance, as a means of providing a path to understanding the fundamental shortcomings of the local governance system in Tanzania. The approach taken to explore this link involves examining the role institutions play in determining political behaviours, overall patterns of governance, and the outcomes of political processes. The lesson drawn from this study is that good governance depends not only on economic and social conditions, but also on the design of political institutions. Such a perspective helps us to understand why countries differ in terms of political outputs and outcomes (see March & Olsen, 1989).

Each chapter of this dissertation stems from the hypothesis that an effective local institutional framework is vital for achieving sustainable good governance at the local level in Africa. Chapter One offers a general introduction to the study and sets the foundation for the research inquiry. In that chapter, I focus solely on background information and the problems that ultimately give rise to my analysis of the local governance system in Tanzania.

Chapter Two describes the theoretical framework of the dissertation. My theoretical approach, new institutionalism, uses three methods of analysis devised by Hall and Taylor (1996); namely, historical institutionalism, rational institutionalism and sociological institutionalism. The use of new institutionalism in this study greatly enhanced my understanding of the governance system in Tanzania. More specifically, it has helped me to understand how institutional structure (as influenced by political factors) affects the efficiency and effectiveness of local government programs in Tanzania.

From historical institutionalism, my theoretical perspective draws upon the work of Paul Pierson and Theda Skocpol, who have emphasized the significance of path dependency in political analysis. This framework of analysis has enabled me to reflect on the historical development of the institutions of local governance in Tanzania, which is relevant in explaining the phenomenon that is the current system. Historical institutionalism triggers feedback mechanisms that help to answer Hall and Taylor's question: *Why do the regularized patterns of behaviour that associate with institutions display continuity over time?* (1996, p. 939).

From rational institutional analysis, I draw on the work of Oliver Williamson, Douglas North and Margret Levi, who have emphasized the role of strategic interaction in the determination of political outcomes. This approach helped me to understand the extent to which self-interest plays a role in the behaviours of actors or players in the local governance arena in Tanzania and that institutional outcomes emerge as a result of these actors' interdependence, strategic interaction and collective action.

From sociological institutionalism, my analysis builds upon the work of Jon Elster, Jan-Erik Lane and Svante Ersson, and Peter Hedström and Richard Swedberg, who have focused on the social mechanisms of institutions in determining political outcomes. More specifically, this approach is applied to an examination of the boundary problem between and among various governance actors in Tanzania. Perhaps most importantly, this approach helped me to understand the ways in which institutions can, if committed, adjust the values and interests of actors who interact with and within them.

Chapter Three explores the broad link between governance and institutions by discussing different theoretical and empirical approaches to improving good governance that were adopted by Tanzania during both the socialist era (1960s to mid-1980s) and the capitalist or free-market era (mid-1980s to the time of writing). In particular, Chapter three explores the potential difference between governance or policy intentions and the unintended consequences that often arise.

More specifically, the link between governance and institutions in this chapter highlights the problems that both the traditional nation-state and donors face in

managing policy outcomes within developing countries. In this connection, I explore and discuss a number of initiatives, originating both within and outside Tanzania that are directed toward improving the system of governance. However, I also indicate that considerable challenges remain in the area of strengthening the institutional mechanisms through which governance takes place. As such, I point out certain instances of corruption and poor performance in Tanzania's governance system.

Chapter Four provides details of the methodology and fieldwork undertaken in this study, and how they were conducted and organized. My research was conducted in Tanzania and involved data collection and analysis from four different local government authorities (LGAs); namely, Arusha Municipal Council, Same District Council, Temeke Municipal Council and Mvomero District Council. However, in order to deepen my understanding of the problem under investigation, other relevant information was also taken into consideration. From my experiences in Tanzania, I saw firsthand how fieldwork brings the researcher closer to the subject of inquiry. And while I realize that limiting my attention to Tanzania, a single developing country, will likely mean that my findings are probably highly context specific, I believe the case of Tanzania provides important insights into the determinants of good governance in other Sub-Saharan African countries.

Drawing upon historical institutionalism, Chapter Five examines the historical junctures in Tanzania's local governance system that have determined the system's direction and development. In this chapter, I discuss how local institutions in Tanzania have emerged and changed over a period of time and how decisions about and by

institutions create path dependencies for future institutional developments. Since Tanzania has had *only* one political party in power since independence, path dependence becomes a very useful instrument of analysis. As Peters et al. argue, “The strength of path dependency is almost certain to appear substantial if the cases selected for analysis are primarily those in which a pattern has persisted across time” (2005, p. 1278).

In Chapter Six, I focus on the impacts of institutional factors on good governance at the local level in Tanzania. Drawing from both primary data collected from my fieldwork in Tanzania and secondary data gleaned from a review of the literature, this chapter provides a careful analysis of the current structure of the local governance system in Tanzania. In all areas (PMO-RALG, Regions, LGAs and other public or local units) visited, there were clearly observable institutional shortcomings preventing good governance. The most frequent comment from LGA officials was that the excessive control of the central government over the local government needs to be removed so that the LGAs can perform their duties efficiently and effectively. Moreover, a “long-lasting” antagonistic relation between various local actors was also identified as one of the major reasons for poor governance at the local level in Tanzania. All in all, there was agreement among my respondents on the need for institutional restructuring in order to avoid overlaps and role conflicts between and among governance actors.

Another institutional obstacle discussed in Chapter Six is the LGAs’ lack of reliable sources of revenue under their own control, which appears to be an intentional

way in which the central government exercises control over local affairs. According to my sources, LGA operations face insurmountable challenges, as the expectations of the local people are high in relation to the available resources. I also learned that local political conditions (especially single-party dominance), legalized corruption (such as *takrima* and the Constituency Development Fund) and other local circumstances (such as poverty) also play an important role in undermining good local governance in Tanzania. Based on the discussion and analysis in Chapter Six, I believe, as do Lowndes and Leach (2004) that political institutions do not exist independently of the actors and players whom they influence but acquire their meaning and effect through the interpretation and behaviour of these actors and players.

Chapter Seven provides an analysis of the Local Government Reform Program (LGRP) that is based on the program's main policy goals and their impact on the overall institutional performance of LGAs. More specifically, this chapter attempts to determine "what is new" and "what is not new" under the LGRP. Chapter Seven draws on the responses of my interviewees and review of some empirical studies on LGRP. An important aspect of this chapter, among others, is a discussion of how the interaction between the good-governance ideas of foreign donors and domestic players has shaped institutional development in Tanzania.

Based on the LGRP analysis in Chapter Seven, I believe that one of the key reasons for the slow progress of the decentralization process in Tanzania is that it has been undermined by central government institutions fearful of losing power and influence over local affairs. A local government consultant from the Local Government Centre,

Mzumbe University stated, “The central government is not happy with reform because it is losing both administrative and fiscal power to control local resources” (July 2009). Similarly, it was also obvious through my research that many initiatives have been (and are still) donor-driven and over-ambitious, and fail to take into account the local institutional realities of where the decentralization takes place. To me, this implies that governance initiatives in Tanzania, and thus good governance efforts, are underpinned by power dynamics.³⁵ Hall and Taylor (1996) have also noted the prominent role that power and asymmetrical relations of power play in institutions, and this observation is one of the notable features of historical institutionalism. As such, “historical institutionalists have been especially attentive to the way in which institutions distribute power unevenly across social groups” (Hall and Taylor, 1996, p. 9). This is one of the areas in which I am considering doing further research upon my return to Tanzania.

Based on Chapter Seven, my own observations suggest that decentralization of any form is unlikely to generate local, tangible results if it does not have political, financial and administrative support. Therefore, Tanzania’s past experiences of decentralization (especially LGRP I) suggest that future reform of the same form (for instance, LGRP II, which is underway) must be undertaken cautiously. By this I mean that it must, in particular, recognize the critical importance of building local ownership and

³⁵ This coincides with Walter Rodney’s argument that “power is the ultimate determinant in human society and basic to the relations within any group and between groups” (1972, p. 224). According to Rodney, “Power implies the ability to defend one’s interests and if necessary to impose one’s will by any means available” (1972, p. 224).

institutional capacity in order to ensure that the process of policy reform is efficiently and effectively carried out to meet the demands of the majority of the people, as intended. I believe, as does Ndulu (2001), that in order to enforce ownership and to ensure efficiency and effectiveness in local development programs, it is important to strengthen the voice of citizens through local participation.

8.3 The Implications of New Institutionalism for Good Governance

In common with many post-development thinkers, I have been asking myself for some time now, “What is wrong with development initiatives in Africa?” While this study does not definitively close any avenues of further research, many of the institutional challenges and shortcomings discussed herein raise questions regarding the mode of governance used by the Tanzanian government and its development partners to eradicate systemic poverty in the country. Based on my research findings and other empirical analyses, there is a clear indication that the role to be played by institutions deemed necessary for the achievement of local development goals and good governance in Tanzania has become dramatically oversimplified if not completely forgotten. Just a year before he died, former Tanzanian President, Julius Nyerere argued, “. . . without good governance we cannot eradicate poverty; for no corrupt government is interested in the eradication of poverty. . .” (1998, para. 19).

Generally speaking, I think it is important to point out that one of the more practical ways of understanding the problems of the local governance system in Tanzania, as it is for many other Sub-Saharan African countries, is through *new institutionalism*. Central to new institutional perspectives is that institutions matter for

political outcomes and that the quality of institutions is an important determinant of a well-functioning system of governance (see also World Trade Organization, 2004). As such, I have argued in this dissertation that Tanzania's development outcomes (good governance and reduction of systemic poverty) are greatly influenced by the country's institutions of governance. I agree with Transparency International (2009) which argues that when essential institutions of governance are weak or non-existent, corruption spirals out of control and the plundering of public resources feeds insecurity and impunity.

While I believe that effective institutional mechanisms are necessary to realize good governance, the Tanzanian experience raises several questions about this arrangement. As argued in Chapter Three, institutional mechanisms provide the government at all levels, central and local, a framework within which to formulate and implement policies as well as to review these policies' effectiveness. Hence, by devising good governing institutions, policy successes can be encouraged through citizens and officials learning to work well with those institutions. Notwithstanding, my purpose in this dissertation is not to suggest that any specific institutional mechanism will provide tangible political outcomes, but rather that, in broad terms, properly instituted, effective institutional mechanisms eventually contribute to capable states, engaged civil societies and improved accountability and transparency at all levels of governance. Simply stated, Tanzania (and other countries in SSA) can achieve significant development by beginning with institutions rather than policy outcomes.

Conversely, drawing on the findings of my study, it is observable that Tanzania's government focuses (as do its development partners or donors) on policy outcomes while ignoring the institutional aspects that give meaning to those outcomes. It is this non-institutional thinking in governance that has led to a multiplicity of "unnecessary" policies and programs in Africa. As Sally Matthews has stated, "Africa has been subjected to development initiative after development initiative, and yet it remains impoverished . . ." (2004, p. 377). Accordingly, frequent changes of rules, policies, and programs in the governance system in Tanzania not only create disharmonious interfaces between the key actors and the implementation of programs, but also hinder the decision-making process in the action area (see Figure 2.1).

My interviewees often confused information from various policies and programs underway at that time. For example, I asked one of my interview partners from Mvomero District Council, "How has the Local Government Reform Program (LGRP) improved the performance of LGAs?" He responded, "The LGRP has improved the performance of LGAs to a great extent. For instance, a subsidy of Tanzanian Shillings 280 per citizen through MKUKUTA [discussed in Chapter Three] is a good step toward good governance. Other local government reform programs such as MEMEM and MMES³⁶ have been working really well since 2006 because they involve both councillors and the people." From what I learned through my fieldwork, whenever there are frequent changes in the rules, policies, and strategies of the governance

³⁶ *Mpango wa Maendeleo ya Elimu ya Msingi* (MEMEM) or Primary Education Reform Program and *Mpango wa Maendeleo ya Elimu ya Sekondari* (MMES) or Secondary Education Reform Program are both being implemented nationwide at present, as a liberation strategy for Tanzanian communities, especially in regards to improving education in the country. These programs are not part of the LGRP. Incidentally, there have been a number of reported cases of misuse of MEMEM and MMES funds (see Kelsall et al., 2005).

system, it takes a lot of effort for governance actors to accustom themselves to these changes. It also leads to suspicion among citizens. One of my interview partners indicated that a number of these rules, policies, and strategies are viewed by many local citizens simply as political propaganda tools.

8.4 General Conclusions

This dissertation clearly indicates that, in any system of governance where multiple actors or players are involved and have diverse interests, there are always causes and effects. While some are causing the problems in question, others suffer the consequences, and still others are involved in its management. As a Tanzanian, I fall within the second group, but more importantly, as an African scholar, I am falling within the third group—managing the problem—in looking for sustainable solutions to Africa’s development problems.

Drawing on the discussions and findings of each chapter in this dissertation, I have come to the conclusion that when the system of governance is malfunctioning, something must be wrong with its institutional mechanisms. This is what I have described in this study as “alternative thinking on governance.” Based on this perspective, the new institutional analysis used in this study can bring a new dimension to policy analysis in Africa by proposing how structural issues in the local governance system can affect the efficiency and effectiveness of local institutions in delivering desirable outcomes—good governance.

As a whole, this study offers an important lesson to comparative politics which gives due importance to “institutions” *only* in the study of the politics of developed nations (see also MacIntyre, 2003). I agree wholeheartedly with MacIntyre that “this is a mistake” (2003, p. 6). In my view, the failure of comparative politics to value institutions in developing nations makes it too parochial to accurately describe or explain the behaviour of political processes in those nations. I hope that by emulating this study, comparative politics as a discipline will become a more inclusive and encompassing discipline of study, representing the real world and giving equal value to the contributions of both developed and developing nations.

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Appendix 1: Structured Interview Questions

Self Introduction and the Objectives of the Research

This questionnaire is designed to solicit information on the “ALTERNATIVE THINKING ON GOVERNANCE: A Critical Analysis of Structure and Uncertainty in Embedding Good Governance at the Local Level in Tanzania”. The information you will provide is confidential and will be used exclusively for this research work. The information you will provide, will by no means affect your position as the local government official. In this respect, we would so much appreciate to share your experience to facilitate the needful.

1. What do you think is the reason for the shift in policy or emphasis from ‘Centralization’ to ‘Decentralization’?
2. The decentralization process called for local governance and participation.
 - a. How do you understand local governance?
 - b. How do you understand participation?
3. Do you see these (your) understandings as main objectives in the decentralization process?
4. What is the current nature of the relationship between central and local levels of government?
5. In what ways has this relationship facilitated or hindered the decentralization process? Do you have examples?
6. For the local level alone, what does the idea of ‘good’ governance mean to you?
7. How would you describe the nature of relationship between councilors and technocrats?
8. Does this pattern of relationship display continuity over time? If yes, why do you think this continuity occurs?
9. How does this relationship affect performance and outcome?
10. Is there a set of job descriptions for politicians, technocrats and operational staff? If yes, how effective is it (for each of these groups)?

11. What is the normal route Councillors or senior staffs communicate to other LGAs' staff? Is there any exception? For what reasons exceptions occur? How frequency these occasions may be?
12. Do Councillors or senior staff by-pass the line of command and give orders to junior staff improperly? Give example(s).
13. Do you see any *correlation* between the good local governance and the institutional framework of the LGAs?
14. In your view, do you think there were any institutional barriers (formal or informal) that might have hindered the good local governance process?
15. In your view, do you think LGAs have sufficient and relevant expertise and skills to participate effectively in the good local governance process?
16. What do you see as the main objectives of LGRP?
17. The LGRP called for good local governance. Is the system of governance in LGAs improved after LGRP?
18. What issues do you believe were (best?) addressed in the LGRP?
19. Are there specific areas in which you think improvement as far as local good governance is concerned?
20. What are the roles of donor organizations in the implementation stage of the LGRP? How effective their roles are to the local governance system in Tanzania?
21. Do you think the LGRP offers Tanzanians an opportunity to own their development policies?
22. Do you think that the final LGRP document reflects the real problems of the local governance system in Tanzania?

Appendix 2: Audit Questions for Ethical Consideration

Name of the Researcher.....

Audit questions	<i>Level of integrity or validity tests addressed</i>
1) Did interviewee understand nature of interview? Why it was being conducted? What was expected of him/her?	<i>Yes</i> <i>No</i> <i>N/A</i>
2) Did interviewee give informed consent to be interviewed?	<i>Yes</i> <i>No</i> <i>N/A</i>
3) Was confidentiality confirmed to interviewee (where necessary)?	<i>Yes</i> <i>No</i> <i>N/A</i>
4) Were researcher's questions guided by interview instrument; or was there substantial variation in questions to those in instrument? If so, why?	<i>Yes</i> <i>No</i> <i>N/A</i>
5) Did interviewee understand questions asked?	<i>Yes</i> <i>No</i> <i>N/A</i>
6) Were adequate definitions of specific concepts given or	<i>Yes</i>

explained by researcher to assist interviewee or when asked	<i>No</i>
by interviewee to understand and answer questions?	<i>N/A</i>
7) Were responses by interviewee accurately recorded by researcher?	<i>Yes</i>
	<i>No</i>
	<i>N/A</i>
8) Was there evidence of 'coaching' interviewee towards certain answers?	<i>Yes</i>
	<i>No</i>
	<i>N/A</i>
9) Were interviewee's interests and integrity respected at all times by researcher?	<i>Yes</i>
	<i>No</i>
	<i>N/A</i>
10) Was sponsoring institution's interests and reputation upheld at all times by researcher?	<i>Yes</i>
	<i>No</i>
	<i>N/A</i>
11) Did the researcher monitor observations or comments on any aspect during the interview process?	<i>Yes</i>
	<i>No</i>
	<i>N/A</i>

Appendix 3: The Dimensions of Good Governance in Local Government

Political accountability – Councillors shall perform their roles in respect of the electorate and the rules and norms of a democratic governance system. Councillors can be held personally responsible for the decision made.

Financial accountability – All financial transactions shall be in accordance with the budget passed by the council and sound financial management principles. Checks and balances are introduced between the political and administrative side

Administrative accountability – All administrative acts and decisions shall be within the framework set by the plans and policy decisions of the council, and local government staff shall refer to the local council in question.

Transparency in all local government transactions – Except for the personnel and sensitive matters, all decisions and acts shall be open for public inspection. Meetings shall, as far as possible, be open to the public also; budgets and plans shall be debated in public, and the like.

Public service brought to people – A dramatic increase of the proportion of local government resources is to be spent on public service delivery and not on political and administrative purposes.

Integrity of local government staff and of councillors – Members of staff must act in an unbiased, professional and responsible manner and must not have any personal interest in the conduct of their duties. Political leaders and administrators, with a personal interest in an issue, must not participate in the resolution of issue.

Proper political-administrative relations – There must be a clear demarcation between the political and the administrative roles and functions. The administrative side will offer technical advice, as required, to the local council and implement council decisions. Local councillors will concentrate on the political work: setting priorities, budgeting, planning, monitoring and leadership and the overall organizational responsibility.

Political empowerment and decentralization of state functions; “Decentralization by Devolution” – This is a key element in the good governance strategies and is the foundation of the entire local government reform. Decentralization is closely related to the subsidiarity principle, which involves bringing services allocation as close as possible to the end user, by devolving power and resources to lower level governments.

Public participation in the local polity process – The public is invited to participate in meetings; public hearings and organized and the council gives full information on all major decisions. Plans and budgets are developed in a participatory way... deployed by LGAs and answerability made through accountability reports.

Integration of civil society and voluntary organizations in local policy making – This principle involves consultations and financial transparency and accountability in relation to council’s budgets also for the NGOs and the donors.

The rule of law – All political and administrative decisions are made in respect of the national legislation and the local laws in place; and that decisions and actions must be legally authentic.

Protection of Vulnerable groups – Local policies shall be directed towards the betterment of conditions of the less endowed groups, of women’s rights and of marginalized groups.

Freedom of expression and organization – No hindrances are made for the legal expression of political ideas or for the organization of groups and organizations.

Democratic institutions in place – Rules and procedures are followed in all council and committee work. The council is the highest political authority within its area of jurisdiction and all other political groups will refer to the council. Administrative decisions will not replace the political process.

Fair and transparent electoral procedures – These procedures include elections to fill positions, both within the council and the committees, at all local council levels and concerning the local council elections as such.

Public facilitation of private sector development – The local authority shall provide infrastructure development and provide a fair and open environment for private sector to participate in the development process of the area through periodic consultative forum.

Combating poverty – Policies, plans and budgets should foster social and economic development as challenged by the National Strategy for Economic Growth and Poverty Reductions (NSGRP).

Note. From PMO-RALG, n.d., Booklet, No. 2, *An Introduction to Good Governance Principles for Local Governments*, pp. 2–4.

Appendix 4: Local Government Budget Summary–Case Studies³⁷

*Budget Summary for Arusha Municipal Council
Financial Year: 2007/2008
(in Tanzanian Shillings)*

Budget Item	Annual Budget Plan	Cumulative Outcome
Own Sources	2,999,999,000.00	3,153,591,000.00
Intergovernmental Transfer	9,625,817,000.00	9,423,193,000.00
Local Borrowing	0.00	0.00
Total Revenues	12,625,816,000.00	12,576,784,000.00
Recurrent Expenditure	8,304,116,000.00	9,392,394,000.00
Development Expenditure	4,319,627,000.00	1,242,093,000.00
Total Expenditure	12,623,743,000.00	10,634,487,000.00
Surplus/(Deficit)	2,073,000.00	1,942,297,000.00

³⁷ **Source:** PMO-RALG, Retrieved December 16, 2009 from <http://www.logintanzania.net/monitor.htm>

Appendix 4 (Cont.)

*Budget Summary for Same District Council
Financial Year: 2007/2008
(in Tanzanian Shillings)*

Budget Item	Annual Budget Plan	Cumulative Outcome
Own Sources	218,300,000.00	292,642,217.00
Intergovernmental Transfer	12,068,821,244.00	8,968,796,458.00
Local Borrowing	0.00	0.00
Total Revenues	12,287,121,244.00	9,261,438,675.00
Recurrent Expenditure	8,851,249,590.00	8,486,295,564.00
Development Expenditure	3,331,522,644.00	1,948,856,509.00
Total Expenditure	12,182,772,234.00	10,435,152,073.00
Surplus/(Deficit)	104,349,010.00	(1,173,713,398.00)

Appendix 4 (Cont.)

***Budget Summary for Temeke Municipal Council
Financial Year: 2007/2008
(in Tanzanian Shillings)***

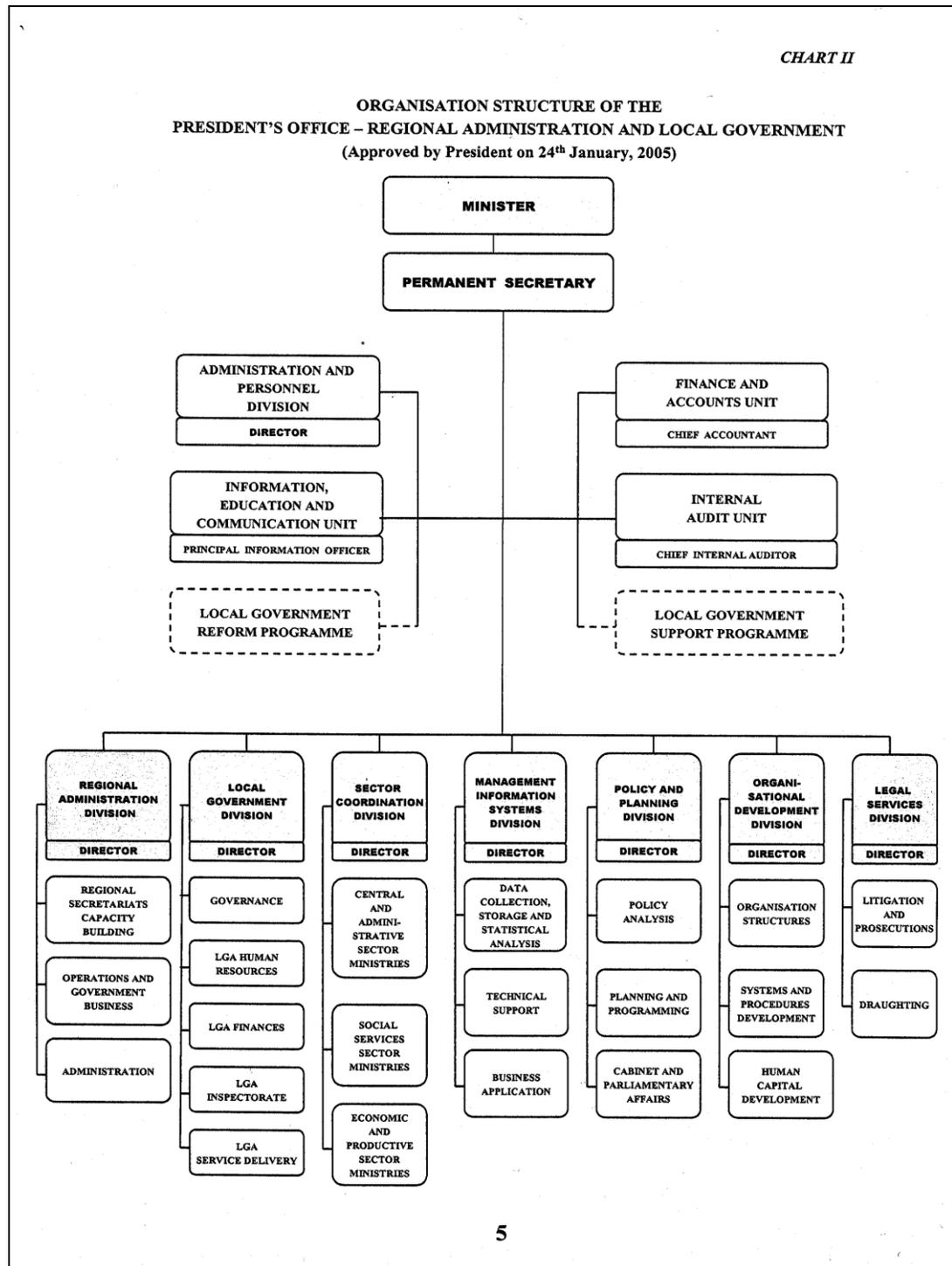
Budget Item	Annual Budget Plan	Cumulative Outcome
Own Sources	6,500,000,000.00	6,072,983,875.00
Intergovernmental Transfer	26,300,936,231.00	18,457,987,312.00
Local Borrowing	0.00	0.00
Total Revenues	32,800,936,231.00	24,530,971,187.00
Recurrent Expenditure	19,149,947,700.00	16,536,710,726.00
Development Expenditure	13,650,678,531.00	5,694,756,612.00
Total Expenditure	32,800,626,231.00	22,231,467,338.00
Surplus/(Deficit)	310,000.00	2,299,503,849.00

Appendix 4 (Cont.)

***Budget Summary for Mvomero District Council
Financial Year: 2007/2008
(in Tanzanian Shillings)***

Budget Item	Annual Budget Plan	Cumulative Outcome
Own Sources	228,500,000.00	170,998,993.00
Intergovernmental Transfer	8,994,758,357.00	7,719,368,711.00
Local Borrowing	0.00	0.00
Total Revenues	9,223,258,357.00	7,890,367,704.00
Recurrent Expenditure	5,758,733,513.00	5,775,499,938.00
Development Expenditure	3,462,524,844.00	2,095,547,596.00
Total Expenditure	9,221,258,357.00	7,871,047,534.00
Surplus/(Deficit)	2,000,000.00	19,320,170.00

Appendix 5: Organization Structure of the Prime Minister’s Office-Regional Administration and Local Government (PMO–RALG)³⁸



³⁸ Note: Prior to 2005, the central government ministry responsible for Regional Administration and Local Government was under the President’s office.

Appendix 6: Map of Tanzania showing the Area of Study

