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Theories and stories in African public administration

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Theories and stories in African public administration

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Preface

The study of public administration and public management is a field of scholarship that requires a firm embeddeness in the society it serves. After all, public administration scholarship is practical by nature. It provides practical tools and concepts for public managers and public leaders. These tools and concepts are derived from the study of administrative practices in that society.

Universities, such as Mzumbe University (Tanzania) play an important role in developing tools and concepts and translating them for application in the day-to-day situations of the specific administration of their country and their continent. The series African Pubic Administration and Management, founded by the University of Groningen and the African Studies Centre in Leiden, is an important instrument in fulfilling this promise for the African continent in general and Tanzania in particular. The aim of this series is to record the research of Tanzanian scholars in African public administration and public management and to distribute its results amongst all that are interested in what public administration and public management looks like in this African country.

To ensure the academic quality, the publications in this series are subject to a peer review by scholars affiliated with the University of Groningen. The publication of this series is made possible by funding from the Netherlands Organisation for International Cooperation in Higher Education, Nuffic.

Groningen / Morogoro, May 2011

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Abbreviations

ALPDA	Agricultural and Livestock Production and Development Association
CACRS	Closed Annual Confidential Report System
CCHP	Comprehensive Council Health Plan
CCM	Chama cha Mapinduzi
CDA	Capital Development Authority
CDC	Center for Disease Control and prevention
CEO	Chief Executive Officer
CHMT	Council Health Management Team
CHRAGG	Commission of Human Rights and Good Governance
CMSR	Centro Mondialita Svillupo Reciprocco
COSTECH	Commission for Science and Technology
DAWASA	Dar es Salaam Water and Sewerage Authority
DAWASCO	Dar es Salaam Water and Sewerage Corporation
DbyD	Development by Devolution
DCT	Diocese of Central Tanganyika
DDH	District designated hospital
DED	District Executive Director
DMT	District Management Team
DUWASA	Dodoma Urban Water and Sewerage Authority
EFA	Education for All
ESDP	Education Sector Development Programme
ETP	Education and Training Policy
FEC	Financial and Economic Committee
GDP	Gross domestic product
GIS	Geographic Information System
HMIS	Health Management Information System
HRM	human resource management
HSR	Health Sector Reform
ICT	Information and Communication Technology
ID	Identification
IHRDC	Ifakara Health Research and Development Centre
IICD	Institute for International Cooperation and Development
IMF	International Monetary Fund
IPP	independent power producers
IPTL	Independent Power Tanzania Limited
JHIRF	Joint Health Infrastructure Rehabilitation Fund
LGA	Local Government Authority
LHRC	Legal and Human Rights Centre
LKHP	Lower Kihansi Hydropower Project
MCH	Mother and Child Health
MDG	Millennium Development Goal
MEM	Ministry of energy and Minerals
MoEVT	Ministry of Education and Vocational Training
MoH	Ministry of Health
NBC	National Bank of Commerce
NER	Net Enrolment Rate
NGO	Non-Governmental Organisation

NGS	Net Group Solutions
No.	Number
O&OD	Opportunities and Obstacles to Development
OECD	Organisation for Economic Cooperation and Development
OPRAS	Open Performance Review and Appraisal System
PCB	Prevention of Corruption Bureau
PEDP	Primary Education Development Plan
PM	Prime Minister
PMO-RALG	Prime Minister's Office-Regional Administration and Local Government
PO-PSM	President's Office-Public Service Management
PPA	Power Purchase Agreement
PPB	participatory planning body
PPP	public-private partnership
PSC	Public Service Commission
PSM	Public Service Management
RC	Regional Commissioner
RDC	Richmond Development Corporation
REO	Regional Education Office
SEDP	Secondary Education Development Programme
TANESCO	Tanzania Electric Supply Company
TEHIP	Tanzania Essential Health Interventions Project
TPDC	Tanzania Petroleum Development Corporation
TPR	teacher pupil ratio
Tsh	Tanzanian shilling(s)
TSR	Teacher Student Ratio
TTCL	Tanzania Telecommunications Company Limited
UN	United Nations
UNCITRAL	United Nations Commission on International Trade Law
UNDP	United Nations Development Programme
UNESCAP	United Nations Economic and Social Commission for Asia and the Pacific
UNESCO	United Nations Educational, Scientific and Cultural Organisation
UPE	Universal Primary Education
URT	United Republic of Tanzania
USA	United States of America
USAID	United States Agency for International Development
USD	US Dollar
VAP	village action plan
VEO	Village Executive Officer
VPPG	Village Participatory Planning Group
WDC	Ward Development Committee
WEC	Ward Education Coordinator
WEO	Ward Executive Officer
WHO	World Health Organisation

1

Theories and stories in African public administration: Introduction

Josephat Itika, Ko de Ridder & Albertjan Tollenaar

Introduction

Public administration in developing countries is administration in transformation. In many countries in Africa, managing the public sector implies a continuing quest for good governance: For organisations, institutions and policies that best fit the needs of modernizing societies. In order to speed up the process, scholars and practitioners of public administration in Africa borrow ideas, concepts, institutional designs from all over the world, but mostly from the highly developed countries in Western Europe and America. There is a reason for borrowing insights from the West: These societies appear relatively successful in the way they organize themselves. Through trial and error, they have succeeded in discovering sound administrative practices and good governance prescriptions, so it seems. Therefore they may offer good examples to follow for countries that have not gotten that far yet.

Still, the transfer of administrative concepts and ideas from one institutional environment to another is full of pitfalls and barriers. One important obstacle is, that many of these concepts are very much interwoven in the social fabric of the country from which they originated. Administrative theories may be more about the particulars of management challenges in a specific cultural environment than about general insights in the workings of political and administrative organisation.

All this can turn out to be particularly testing for teaching public administration and training future public officials. Much of this teaching is done with the

help of text books that are imported from the West. If teachers and students are not aware of cultural embeddedness of the content of those textbooks they may end up with a perspective on public administration that does not fit the administrative realities in their own country. To put it bluntly: A student of public administration in Africa might very well gain a better understanding of the local government system in Great Britain or the USA than in Tanzania or Nigeria. Yet, the teaching and studying of public administration in Africa should be about African public administration. The challenge then is to extract the core insights from public administration scholarship around the world and make them applicable to gain a better understanding of indigenous governance issues.

This book attempts to do just that.[1] The foundation of the book is dual approach. On the one hand it discusses a number of core concepts of the public administration discourse. These concepts, derived from the international public administration scholarship are presented in their most general sense, stripped from excess meaning as much as possible. On the other hand the book is an anthology of stories about public administration in Tanzania. Some of these case descriptions are the result of scholarly research, others are the by product of consultancy activities. Each of them is connected to one specific concept. In that way the story is an illumination of the concept, thus bridging the gap between an abstract theory and the complex reality it is meant to illuminate. In the remainder of this first chapter we will discuss the issue of transferring concepts from one administrative culture to another in some more detail.

Dealing with dissimilarities

Concept formation

Concept formation means that otherwise diverging phenomena are brought together in one set under one name because they have one or more characteristics in common. By doing so, they are distinguished from other phenomena that lack those characteristics. Let's take a relatively simple example: The concept of *agency*. We may define 'agency' as: An organisation that is (1) part of a governmental executive branch and that is (2) performing a specific governmental task with (3) some autonomy. All organisations that have these three attributes in common fall under the heading of 'agency'.

Whether they are small or large, part of a local government or a central civil service, performing just one function or a variety of tasks – these and many more distinctions that can be made are not important for an organisation to qualify as a agency. Thus concept formation also means: Disregarding most of the real life

1. The authors have taken their lead from Richard Stillman's seminal text book *Public Administration, concepts and cases*.

complexity and focusing on only a few aspects of that reality. Concept formation is reduction of complexity. That is true for words in everyday life as much as it is for scientific concepts. Scientific concept formation is much more explicit, systematic and intentional than the use of words in everyday language.

Still, the content of a scientific concept often is the result of a historic process, just as much as common words are. The origin of concept formation in social sciences often is a term from general language. Such terms do not have a fixed meaning but are burdened with all kinds of connotations, *surplus meaning*. Surplus meaning implies rather than explicates and reaches far beyond what is directly perceivable or measurable. Once such a term is put to use in scientific discourse, much of the surplus meaning is honed off, sometimes so much so that only an operational definition is left of it. The word *fever* may serve as an example. Originally the word was used as a name for a large and undifferentiated collection of illnesses. Under the influence of professional medical usage the meaning of the word 'fever' has been reduced to 'a score of body temperature on a thermometer'.

In de social sciences, and in the political and administrative sciences in particular, it is often difficult to purge terms of surplus meaning. Even more so than in other sciences, concepts are anchored in the culture of the society they are meant to describe. Often the user is not even aware that the concept is referring to more than the user has the intention to denote. Max Weber for instance has worked carefully and deliberately to file and polish the concept of 'bureaucracy', in order to eliminate all excess meaning. Yet his assertion, that 'pure bureaucracy is the most rational way of executing authority' is primarily a reflection of the dominant ideology of his contemporaries (Beetham 1974). American sociologists such as Parsons, Homans and Blau have not been able to avoid that implicit in there concepts and models are central American values such as individualism. As long as the discourse is confined to the culture from which the term emanated, surplus meanings may well stay hidden. If we use these concepts to discuss or analyze similar phenomena in another cultural setting however, the fact that concepts do not have the same array of connotations in every culture will inevitably be exposed. This has been apparent especially in development administration.

Problems with borrowing concepts

In public administration we are confronted with two kinds of problems when applying concepts across cultural borders. First, there is the bridging of the gap between two culturally different administrative institutions, say the Tanzanian and the Dutch administration. Beyond that, however, we have obstacle to overcome. That is the barrier between two systems of scholarly language dealing with administrative phenomena: The legal language and the social-scientific language.

Concepts referring to the institutional arrangements of an administration often originate in a legal context and have a lot of legal surplus meaning. Legal concepts are normative; they have a lot to do with legal consequence (who is competent for what? who can authorize?). Thus the word *city* has a very distinct legal meaning in the municipal legislation of many American states, and is connected to specific jurisdiction and a specific kind of authority. This is probably not the same meaning as when a scholar of public administration uses the word 'city' in the context of urban studies.

Applying concepts derived from one administrative environment to describe or analyze practices in another administrative environment can easily cause confusion and misunderstanding. When comparing institutional arrangements of different countries it is not difficult to find look alike institutions, that is to say, organisations or procedures that bear equivalent *names* and nominally perform equivalent *functions*. But on close scrutiny it may become clear that such an institution is embedded in a larger institutional environment. Much of the meaning contributed to such an institution originates in that larger context. It is there where the cultural, (which often is equal to national) interpretation of institutional concepts emerges, and it is there where trans-cultural confusion may set in.

A classic case of such confusion can be found in the very influential Wilson article of 1887, 'The study of administration'. In this paper Wilson argued in favour of a separation of politics and administration – a position that has been central to American public administration for at least another century. To support his view he referred to European examples and German scholars – erroneously so, because his European examples related to an entirely different problem. Wilson's interest was the reformation of the Jacksonian patronage bureaucracy. In his day, American public agencies were virtually owned by the elected executive. Agencies were considered as spoils for the victor of the elections, to be used to reward supporters with jobs. There were hardly any administrative professionals. Wilson emphasized the need for a professional bureaucracy that was detached from the political sphere.

The German authors Wilson referred to, were concerned with something quite the opposite. In Germany the public bureaucracy was a huge independent body, the single most powerful public institution in the country. It had slowly gained its independent position by rolling back the absolute control the monarch initially had over the bureaucracy. However, democratization was looming at the horizon, and many authors were afraid that the bureaucracy would loose its independence to political oversight. Thus these authors Wilson referred to were actually defending an anti-democratic stand. Soon after the publication of his article Wilson himself became aware of the fact that he had inaccurately translated and mistak-

enly interpreted his German sources, as we know since his collected works were published (Link 1970; Martin 1988).

Strategies for comparing administrations

In the literature one can find two strategies for comparing dissimilar administrative institutions. The first strategy starts out with a limited number of concepts for institutional arrangements that can be considered universal. The leading question in this strategy is to which extend such a universal institution fulfils equivalent functions in different administrative cultures. Ferrel Heady, who promoted this approach, argued that bureaucracy was the ideal candidate to serve as the universal institution that could be the 'focus for comparison' (Heady 1991).

The second strategy argues in just the opposite direction. It starts with specifying a number of functions all politico-administrative systems have to fulfil. Then it tries to answer the question, which institutional arrangements in culturally different administrative systems do fulfil these universal functions. In both strategies, concept formation has to deviate from the language that is internal to the administrative cultures under study. One worthwhile exercise when studying this book is to answer the question which of these strategies – or perhaps an entirely different one – is being used in the presentation of each of the concepts.

Overview of public administration and public management

The concepts discussed in this book provide an overview of public administration and public management. The book breaks down in four parts. The first part presents the essence of public policy. The justification for governmental interference in society lies in collective action. Some problems are too large to solve individually. Individual citizens then form groups, share resources and solve common problems together. As a result governance comes about: councils are formed, elections organised, etc. Chapter 2 discusses this concept of collective action.

Institutionalised governmental action has its drawbacks. The transfer of powers to a body that represents a group or a whole society harbours the danger of abuse of those powers. Counterbalancing such tendencies calls for 'principles of good governance'. This concept is presented in chapter 3.

Decisions of governments have specific characteristics. The main characteristic is that these decisions are supposed to serve the public interest. The identification of public interest calls for a procedure which results in a public policy that effectively contributes to solving policy problems. The essence of public policy is discussed in chapter 4.

Chapter 5 focuses on the implementation of public policy. Carrying out public policies calls for the cooperation of many actors. Chapter 5 elaborates on the specific problems of implementation.

Involvement of the consumers of public policy is discussed in chapter 6. This chapter discusses the value of participation of communities. Public policy often results in legislation. Sometimes, however, legislation is not really an instrument for solving a policy problem. The concept of symbolic legislation, that covers this phenomon, is introduced in chapter 7.

The next part is 'Institution arrangements in public administration'. A governmental organization should not be conceived of as one monolithic body. Indeed it made up of many organisations and organizational units. In order to perform their tasks, these units interacts with a host of organizations and individuals outside the public administration proper. Sometimes the government involves stakeholders in the provision of public goods. This perspective of stakeholders is discussed in chapter 8. Chapter 9 introduces the professional as the crucial actor in providing public goods. Chapter 10 focuses on the institutional relations between central and local governmental bodies.

The third part of the book focuses on management issues. As any organisation the agencies that make up a public administration have to deal with management problems. One question is, what criteria should be used when hiring or firing employees? This problem of staffing has a specific connotation in the public sphere, where patronage is not far away. Chapter 11 describes this concept.

Chapter 12 discusses the relationship between the manager and his subordinates. Quite often leadership is used as the magic term to identify the reason why an organisation is not fulfilling its promises. This chapter discusses leadership styles and its use in a public organisation.

In present times public organisations usually are no longer traditional bureaucracies with a clear hierarchy both within and in their relations with their environment. The use of ICT changes the way public organisations function. Chapter 13 introduces the concept of e-government and e-governance.

The last part is dedicated to new public management. This term refers to the philosophy that more market orientation in the public sector will lead to more cost-efficiency for governments when providing public goods, such as health care or electricity. Public-private partnerships (chapter 14) and privatisation (chapter 15) are two examples of new public management that are discussed in this final part of the book.

Stories

From concepts to cases

Concepts are a reduction of the complexity of reality. Good concepts facilitate the creation of some order in the chaos of reality. Good concepts help us to focus on what is important for understanding that reality and not be distracted by triviality. Good concepts facilitate us to see how different phenomena relate to each other. Good concepts are necessary building blocks in any description or analysis of administrative reality.

Yet concepts are abstractions. They perform a certain representation of reality, but they are not reality itself. So a third gap to be bridged when using concepts is the distance between the abstract notion contained in a concept and the concrete and ever so diversified reality of everyday administrative life. Cases - stories about the way things happen in administration - are an effective tool to do just that.

Cases do not tell you the whole story, though. Just like concepts they are a reduction of reality. However, a case is focussed in a different way. The story in a case description is limited in its time span. It is concerned with just one incident, one decision or one organisation. Cases are rich in detail, however. They come as close to representing a cut-out of administrative reality as possible.

Good cases

What makes a case a good case? First of all it has to be based on good research. There are several methodologies for good case study research available. For this volume, the approach of Yin (2007) was the standard. Furthermore, the story needs to be told systematically. Rich detail is fine, but all detail needs to be functional for getting the meaning of the story across.

Good cases can perform at least three functions:

- Cases enrich theory laden course material with real world public administration insights. Especially for traditional students that have not been actively out in the field by themselves, cases are an indispensable window on the world they are studying.
- Cases offer illustrative material for understanding concepts, theories, process models etc. Concepts are lenses that make it possible to view reality in a certain way, comparable to the function of a microscope or a telescope. Cases offer the student of public administration the opportunity to practice the use of conceptual lenses.
- Cases present a great opportunity for interactive teaching. Cases present topics for analytic exercises. Answering questions about how incidents in the

case could occur or about factors that may or may not be important for explaining what happened, will sharpen the analytical skills of the student of public administration. Furthermore, case material can be questioned in philosophical and ethical terms, engender class room debate about what constitutes good governance in this case and in general.

The cases in this volume are written by public administration scholars from Tanzania. They are all teaching courses in public administration and public management. Most of them have lots of experience with the realities of development administration and governance, as a consultant, a researcher or a civil servant. Their stories build on this experience. They bring African public administration home.

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PART I

THE ESSENCE OF PUBLIC POLICY

2

Collective action

Denis Kamugisha

Introduction

Since Tanzanian independence in 1961 the government of Tanzania has been striving to inculcate a spirit of collective action, the spirit of working together to fight poverty. The first president of Tanzania, the late Julius Kambarage Nyerere, had a dream that if people would work together and stay in communities, rather than individualistically, they would advance more. The Ujamaa (Villagization) policy was introduced in the 1960s to 1970s, to bring together people from scattered areas to more defined or uniform areas where they could be provided with social services such as water, health, agriculture, transportation, education and the like. Despite this being done with the best of intention, it was in fact a top down policy, with the government dictating everything. So despite the fact that the government developed the Villagization policy to charter out a new way of bringing social services closer to the people, the collective action perspective remained absent. As a result, the superimposed projects from the government never became the true property of the people. This lack of ownership caused the people to not feel responsible for taking care of the projects. As a result, most projects under the Villagization policy collapsed.

This goes to show that just bringing people together may not necessarily result in collective action. What is important is how a journey of cooperation starts and ends, be it a political, social or economic one. The concept of 'collective action' is a core concept in social sciences for analysing and clarifying processes of community formation. A widely used basic definition of 'collective action' is: 'the pursuit of a goal or set of goals by more than one person' (Schlager 1994).

The water project at HILL village shows under what circumstances collective action might occur and what the possible consequences and limitations are.

The concept of collective action

Collective action

Collective action – we repeat – can be thought of as: 'the pursuit of a goal or set of goals by more than one person' (Schlager 1994). Schlager adds another, more elaborate description: 'an action taken by a group of individuals either directly or on its behalf through an organisation to achieve common interest'. The group can be voluntarily self-formed, or instigated by external institutions, be it formally or informally.

Every individual actor may face problems, for example shortages of water; inadequate health services or education. These problems are not easy to cope with for an individual, as they demand high investments. If the individual finds himself or herself to be a member of a group, a community, with actors who share the same problems, then there is a basis for collective action to pursue common goals. When the members of that group take their fate into their own hands and decide to solve the problem together; for example by building a school, hospital or water facility; collective action comes into being.

Collective action does not come easy, or naturally, as common experience shows. Scholars have identified a number of prerequisites that have to be fulfilled, in order for collective action to be at all possible: *group identity*, a *shared idea* of the common problem and a *trigger*. The next section will discuss these requirements in some detail.

The prerequisites of collective action

The concept of collective action applies when the members of a community have to identify themselves as members of that community; in other words: There has to be something of a '*group identity*'. Group identity can be based on many things. Sometimes the members share the same religion. Quite often this is the identity of groups that build schools or houses. Sometimes they belong to the same tribe or family. This social group is typical Tanzanian/African. In this society the extended family relations form groups that provide services like social assistance. Next to these groups the perhaps the most important group are villages, hamlets or neighbourhoods; i.e. people living together, facing the same (infrastructural) problems. So to sum up, group identity can be based on: Religion, family, tribe or the geographical area where they live. Yet the interesting thing about collective action is that a new group identity may arise when people discover a common cause and start working together (Olson 1965).

Secondly, there has to be *a shared idea* of the main problem that these members have. If one would ask each and every member about their priorities, the answer has to be almost equal. If some do not face the same problem, for example because they have their own well, then it is difficult to create a group initiative.

Thirdly, there has to be a spark: A trigger that starts the action. Quite often there is a specific concrete cause or event that brings the group together debating on how to solve the problem. This 'spark' might also be a strong individual leader within the group who is able to convince the individual members to participate in the initiative.

The result of collective action is quite often the foundation of a sort of *institution* that simplifies the social interaction within the group. Institutions can be meetings, but commissions or committees with elected members representing the community members are also known institutions. Of course, one could also regard decision-making rules such as the majority rule (every member has a vote; the decision that is supported by the majority of the votes will be implemented).

Depending on the size of the group these institutions will be more *formalised*. The larger the group, the higher the necessity to form 'subgroups' like committees that prepare the decision-making or sometimes have the delegated power to decide on behalf of the group, or use decision-making rules such as the majority rule as mentioned before. Without these sub-groups of representatives or without a decision-making rule, decision-making is difficult.

Collective action challenges

The result of collective action is the production of public goods. A public good has a number of characteristics (Olson 1965). It belongs to no single individual. It is *non-excludable* (one person cannot reasonably prevent another from making use of a collective good) and *non-rival*, (one person's consumption of the good does not affect another's and vice-versa). Olson shows how there will be always a problem on maintaining these goods. This problem is called *free rider behaviour*. Since people cannot be excluded from using the collective good, there is no incentive to pay for it or contribute to its maintenance in (any) kind. If there are no contributions from the members of the community, the project will collapse. When a community is small, members may induce each other sufficiently to contribute to the maintenance of the collective good. This is called 'social control'. In larger communities, social control requires more effort and is less effective. Therefore a larger community will require a strong governmental body that can regulate and enforce contributions to the maintenance of the collective good as well as the way in which members may enjoy its benefits.

Different scholarly disciplines each emphasise 'collective action' in a different manner. Political and administrative sciences are especially interested in the institutionalisation of collective action. Thus, in political science 'collective action' refers to the social relations within a community or country that make the pursuit of goals possible by more than one person. Eventually it is about the social structures that form the basic institutions of a governing body. One could argue that

collective action is the foundation of government, be it local or central. In a public administration perspective, 'collective action' would also refer to government as collective action on a larger scale (nationwide). However, the institutionalising of the initial collective action by founding a government might very well threaten the essence of being a community: The gap between the institutions with decision-making power and the individual members may become too wide. Therefore new instruments are needed to enhance and support initiatives of groups. Then, collective action becomes more or less a policy instrument, prescribed in modern planning procedures like the Opportunities and Obstacles to Development procedure in Tanzania.

Institutionalising collective action in Tanzania

Since independence, the Tanzanian government has attempted a number of policies to promote collective action at the grass roots level. The first articulated policy of this kind was the Arusha Declaration, based on a philosophy of socio-economic liberation based on socialism and self-reliance as a long-term national development goal. An important part of the strategy for implementing the Arusha Declaration was the devolution of powers to the people. This policy was in force from 1967 till 1992. During this period, Regional Decentralisation, Village Governments, District Development Committees and Regional Development Committees were established, in order to enable more participation of the people in decision-making. This can be considered an attempt at institutionalising collective action at the local level.

The next period (1992-2002) was characterized by reforms in the public sector. The government undertook the reforms in the hope of increasing efficiency and the capacity of the public sector to deliver quality services. The reforms included local government reform; financial sector reform; planning and budgeting reform and the restructuring of the regional administration. The reforms were meant to limit the role of central government and to create an enabling environment for local government authorities to perform and for people at the grass roots level to participate in local government decision-making.

In reality, government planning continued to be dominated by government planners and economists, bureaucrats and donors, on the basis of the (illusory) feeling of control and efficiency: 'We know what they (communities) do not know'. Therefore, effective participation in planning and decision-making remained remote. Thus, the idea of increasing people's participation, integrating developmental planning and addressing bottom-up planning was unsuccessful. As a remedy for these ills, the procedure for Opportunities and Obstacles to Development (O&OD) was introduced.

This strategy was in line with the Constitution of the United Republic of Tanzania of 1977. Under articles No. 145 and No. 146 local governments are empowered to transfer authority to the people. Article 146 states:

> 'Local Government Authorities shall have the right and power to participate, and to involve the people in the planning and implementation of development programmes within their respective areas and generally throughout the country.'

These provisions in the Constitution aim at restoring the spirit of self-reliance, local resource mobilisation, transparency and accountability, whereby communities participate in planning, decision-making, implementation and ownership of their development activities through collective action spirit (Lamek 2009).

The case of the water development project of HILL village

Introduction

In this understanding, Ifakara Health Research and Development Centre (IHRDC) under Tanzania Essential Health Interventions Project (TEHIP) in 2000 started to research the mechanism through which the people's voice would be integrated into the district planning process. The collective action perspective was a tool through which the interest of the people could be taped and engrossed to higher authorities. As a Non-Governmental Organisation, IHRDC had a role of assisting the government to increase people's awareness and discuss their concerns in district plans. Integrating the private sector and civil society was one of the ways of escalating governance reform. The reforms aimed at changing the role of the central government from directly involving itself in production and service delivery, to that of policy formulation, coordination, and advisory, strengthening capacities of local governments, the private sector, Non-Governmental Organisations and to create an enabling environment for the local governmental authorities to perform.

The mechanism of engaging people, developed by Ifakara Health Research and Development Centre (IHRDC), was called 'Community Voice'. The community voice as a planning strategy or methodology was applied in the Morogoro Region and the Coast Region, the Mvomero District (Morogoro Rural District by then) and Rufiji-Hutete District respectively. The community voice explains the collective action as elucidated in the Hill village case.

The community voice or collective action strategy was used by HILL people to create a platform for discussion and by doing so, internalised a sense of collective action. The development water project is a good example of collective ownership of public good. Also the formation of a strong committee to cater for all aspects related to developmental issues at the village vindicates collective decision-making.

In 2002 the government came up with the Opportunity and Obstacles to Development planning methodology (O&OD) as a mechanism of engaging people from grass roots to a platform through which their voice could be channelled to district plans.

The community voice and O&OD strategies all together aimed at addressing peoples' concerns and communicating the appropriate interventions from which the people or higher authorities could solve the problem. From the 1960s till the year 2000, there was no strategy adopted by the government in place for facilitating the civic engagement in the planning process to realise a true sense of collective action phenomenon. From 2001 to 2003, IHRDC conducted a study for facilitating the mode of enhancing civic engagement in communicating which identified and felt the needs of the communities. The HILL villagers' efforts of developing the water project entailed a vivid example of collective action of civic engagement in planning. The HILL village is amongst a number of villages that were studied. The community voice strategy was pre-tested in 2004 in Rufiji and the pre-test went hand-in-hand when the O&OD was being implemented. The findings were communicated to the Utete District and the Morogoro Rural District and it was found that both strategies needed to be merged to form a comprehensive planning strategy which would be used to tape the concerns of the people into the district planning process.

The history of HILL village

HILL village was found in 1975 with the registration number 256/1975. It was a product of the Villagization program. Tanzania adopted the policy of villagization in 1967 as part of a national strategy for development. This policy entailed, among other things, the resettlement of all households outside areas of dense settlements into villages. It was assumed that the welfare and standard of living of the majority of people could be improved. Since the majority of the population lived in isolated homesteads, large-scale resettlement was recommended as the first step in the direction to modernisation (Nyerere 1967). It was assumed that what had prevented nucleated settlements before was the lack of organisation. Once the organisation would be provided, the benefits of living together in village communities would materialise almost automatically (Mlay 1981). It was on these grounds that HILL village evolved. The HILL village was founded in the south-west of Rufiji District in the Coastal Region. It is located almost 15 km from Ikwiriri Township. Many of the inhabitants of the village are Ndengereko tribes such as the Matumbi, Makonde, Zaramo, Pogoro, Ngindo, Yao, Manyema, and Nyagatwa. The indigenous language is Ndengereko, although Swahili is used as a national language and is understood and spoken by almost every village member. The most common economic activity is agriculture, which is still rudi-

mentary. The agricultural activities practiced in this area include cash crops (cashew nuts) and food crops (maize and cassava) produced at a very small scale.

Collective action experience at the village

Since the foundation of HILL village, various participation forms have been noted. With these forms, the concept of collective action was made evident in some areas. But in most cases it was made stagnant by the circumstances. Passive participation dominated, meaning that the people were only informed about what was going to happen or had happened (Blackburn, Holland & Chambers 1998). The information shared in the village came from external professionals. The enabling environment for people to influence decision-making was as good as absent. The external professionals defined both the problems and their solutions and could modify them in the light of people's responses (Makemba *et al.* 2003).

The mechanism for engaging people in the process was the provision of materialistic incentives such as resources, food and the like. People were not given the opportunity to experiment with group decision-making on their own. The villagers could merely form groups to meet predetermined objectives. From 1992 onwards (the beginning of decentralisation), the first notable achievement was a joint analysis of the environment that involved, to some extent, the people. This in turn led to action plans and to the formation or strengthening of local institutions. People started to realise the importance of collective decision-making and collective management of public. After 2000, external factors provided the community with resources and technical advice, while the control over how to apply these resources was firmly in the community's hands.

Water development profile

During the 1970s, HILL village witnessed the construction of big water infrastructure by the government. Its goal was to provide the people with access to safe and clean water nearby. Unfortunately project proved not to be sustainable, primarily due to poor management. Moreover, it was an external initiative and a sense of local ownership was distant. No member of the community felt responsible. Instead, it was thought that the government would continue to maintain it. With an increasing population, lack of resources and intensifying pressure on social services by the community, the central government found it difficult to manage various projects developing all over the country. Then the project crumbled. The water infrastructure was damaged, parts were stolen and the whole thing was left functionless. Re-establishing the water works in a sustainable form would require the full participation of the people themselves. This called for fostering a form of collective action that invited all stakeholders to participate in designing,

communicating, identifying, prioritising, and analysing the constraints and opportunities and ultimately, finding the appropriate solutions.

The process of echoing community voice

Echoing the voice of the HILL people into district plans as evidence based strategy had its foundation in local government reform principles. Among other things, the principles emphasised the collective action mechanism of civic engagement to addressing specific local problems and the involvement of people in identifying locally felt needs, preferences, challenges, and workable solutions. Around 2000, the mechanism of civic engagement was not common in the policy repertoire of local government authorities. Therefore, the Ifakara Health Research and Development Centre started research on ways and means for enhancing civic engagement, a project that ran from 2001 to 2003. The HILL village was one among many villages which benefited from the study.

The process started by a research team introducing itself to the district officials. The purpose was to enable the District Management Team to get acquainted with the basic outline of the project. The District Executive Director then officially introduced the team to the ward executive officers and village leaders. Community entry or introductory meetings were followed by sensitisation and awareness creation meetings, community reflective actions, and feedback meetings at district and community levels.

During the sensitisation meetings, the community members and leaders came to understand and value the importance of true community participation as addressed by the local government and other reform sectors in the country. During the sensitisation meetings, facilitators used adult learning methods to address various local government reform issues. Serialised and un-serialised pictures were introduced to facilitate a change of the mindset of the people. The expected roles of the community members were outlined. Community members were invited to provide their opinion on how best the project objectives could be achieved. As a result, the study protocols kept changing from time to time in order to incorporate community views and suggestions. Similar meetings were also conducted at sub-village (hamlet level) to which all community members were invited. Each HILL village hamlet had its separate meeting, where members were encouraged to build interest for participation in the upcoming project activities.

Later on, people from each hamlet were involved in a series of exercises. These were intended to enable them to reflect on their village environment. The ultimate goal was to enable the member of the community to review their village history, find current development issues pertaining to HILL village, find available opportunities and how they could be tailored to address community needs and preferences (reflective activities). These reflective activities involved village

social and resource mapping, development of seasonal calendars, Venn diagrams and needs identification. These exercises helped the villagers to develop village profiles which were taped for reference during the actual village planning process. A village census was done as well to determine the actual village population and categorise the various population groups (men, women, children, people with disabilities, perceived poor, and those perceived very poor) in order to enrich village profiles.

Having developed the profiles, community members at the hamlet level were asked to identify and select hamlet representatives who would be involved in development of the village action plan (VAP). The criteria for selection were debated and it was agreed that gender, occupation, age, location representation and past experience would be included as well as individual commitment in community development activities. Five members were supposed to represent each hamlet. Four representatives were selected from each hamlet and every chairperson due to virtue of the position became a member. These individuals from each hamlet formed Village Participatory Planning Group (VPPG). Also other representatives came from the village government council and private institutions that were present in the village (e.g. religious groups, schools and health facilities etc.). The hamlet members selected four members based on gender, age and individual attributes that reflected qualities such as confidence, seriousness, openness, transparency and so on. The HILL village had four hamlets and every leader of the respective hamlet was automatically in a planning team by virtue of that position. The village leaders that were the chair persons and the village executive officers were also part of the team by virtue of their positions. Two influential males and two influential females were selected. These were people who knew the history of the village very well and were well respected by the community.

The Planning group involved the various institutions that were available at the village. The head teacher of the only primary school in the village, one pastor and one sheik were selected. The planning team also involved one health attendant and chairpersons from the political parties such as NCCR Mageuzi, CCM, Chadema and Pona. And the VPPG incorporated two people with disabilities, a lady and a man. The team had 36 participants. The VPPG elected a chairperson, a secretary and treasurer through secret votes. Of these selected members, not one person with a title at the village government.

The VPPG was responsible for all matters that arose until the end of the development of the village action plan. This event marked the end of frontline facilitation by a research team. The team was left to provide technical support and facilitated communication with district officials according to the community

needs. The VPPG reviewed all the information collected from each hamlet to form a coherent village profile. Community preferences were categorised according to governmental departments such as administrative, education, health and environment and were then later prioritised. The criteria for prioritisation included importance, urgency, availability of community resources it could provide, ability of the community in implementing associated activities, the availability of financial support to supplement where the community efforts ended and the sustainability of the outcome after implementing the developed plan. After community priorities were identified, it was observed that community preferences were in greatly varied which influenced a meeting with the District Management Team (DMT) as feedback for what had transpired overall. This meeting also involved the VPPG members.

The HILL village planning team were ensured support from the DMT members who comprised of all district departments. The team continued with the village action plan development. DMT sent personnel to work with the research team and the VPPG to provide guidance so that the developed plan could be technically feasible. Participants formed subgroups to debate and document whatever transpired. The subgroups were guided by terms of references as followed: causes of each problem, predisposing factors for each problem, consequences as a result of the problem, possible solutions (what needed to be done) – whether they had been tried before – what the results were, how the solutions should be implemented, who should implement them, what resources would be needed and their costs, where should the resources come from, what the indicators for implementation would be and finally who and how would a follow-up and evaluation be done.

The water project initiatives

Essence of water project initiatives

As a result of the debates, a consensus was reached. Lack of safe and clean water came up as the most urgent problem to be solved. This problem was strongly argued especially between women who turned out in small groups from each hamlet during the sensitisation meetings. In the end, the VPPG listed it indeed as the priority problem. From a historical perspective, women always suffered the most because of the lack of clean water nearby. They had to travel long distances in search for water. It might take a whole day to obtain water from sources such as ponds, rivers and locally drilled wells. This had an adverse impact, not only on the women who walked long distances carrying heavy water baskets, but also to children and the community at large. Water related diseases were unbridled. There were many instances of predator animals such as lions and crocodiles attacking the water fetchers.

Local administration of the water project initiatives

The necessity of developing a sustainable water project was undisputed. The villagers, via the planning body, sat down and discussed how to solicit financial and non-financial contributions from each member of the community. The planning team was very close to the people, so whatever transpired in the meeting was communicated to the people at the hamlet level. With this, every member of the community was aware of what came out of the meetings. When the decision was passed to embark on a water project, the community had already acknowledged that idea even before the report of the VPPG was read in front of the general assembly. The planning team proposal of doing away with the present village leaders and replacing them with leaders to be newly elected became a rumour at the village. The situation was tense to the extent that the village government leader refused to call a meeting with the general assembly. The influence of the VPPG forced the village leader to call a special meeting to present the report to the village assembly. The general assembly, according to law, has the overall supreme power of enforcing any decision or matter taking place at the village. The proposal from the VPPG could not be adopted if the general assembly did not endorse it. The village assembly had a role of adopting or refuting the report.

The general meeting was called by the village government leader; the team suggested the District Executive Director to be invited during the meeting, the idea being that he would inform the people about the proper way of removing the village officials from office and replacing them. The announcement of the meeting was also dispersed to NGOs and the public in general.

On the meeting the VPPG chair person presented the action plan (report). The meeting embraced the plan but proposed that the village leadership should be fired or advised to resign. The people did not trust the current village leadership and they were not prepared to contribute financial or non-financial resources for village development programs to a corrupt government. Their idea of an immediate solution was to replace the leadership.

As it turned out, the relevant bylaws made it impossible to replace the leadership overnight. Yet a strong leadership was needed to facilitate the process to implement the water management project. At the end of a very heated debate, the District Executive Direct (DED) addressed the people. Among other things, he told them about the proper procedures for replacing the village leadership. One of the ways that he indicated was a ‘vote of no confidence’. It required a two-thirds majority on a vote of no confidence by HILL villagers to make the village leaders resign. Only then a new election could be called for. As the DED continued addressing the people, it was recognised that the village leaders might have failed because they lacked knowledge of the guidelines. One influential person told the people that village leaders had been working using their own experience and

knowledge; they had not a single document to guide them. He also urged his colleagues, the villagers, that they needed water and that they were wasting time dealing with the issue of village leaders. In conclusion, he yelled: 'let these people ask for forgiveness'.

The community members bought his idea and compelled the respective leaders to ask for forgiveness and for a promise to cooperate with the people in dealing with their problems, including their initiatives of developing a water project. Finally the village leaders acknowledged their mistakes and promised to rectify them. The people forgave them and requested the DED to provide them with the guidelines, manuals and training on leadership and any other relevant support. The DED agreed and promised to work on all issues raised by the people. The readiness of leaders to correct their mistakes and the support promised by DED increased trust and restored confidence to people over their village government and they were highly motivated to work with it. The village assembly adopted the report, and called for a team to rewrite it on the basis of the corrections transpired during the meeting, before endorsing it to the higher levels for implementation.

Soliciting funds

Since the people had regained confidence over their village government, they believed that their financial asset to be contributed will be in safe hands. Therefore, they suggested that every household should contribute Tsh 200,000, and those who had no money in terms of cash could bring anything worth Tsh 2,000 which could be sold with the money being presented to the respective committee responsible for collection of water funds or to the chair person of the participatory planning body. The payee was asked to provide receipt to the payer. This was thought as a panacea for enhancing control of the cash. Also the village government set some precepts to punish those who would corrupt the system in collecting money from the people.

The total amount of Tsh 2 million was raised from the villages. This marked an event never experience before since 1970s when the village came into being. The district executive director supported the efforts initiated by people by putting forward another Tsh 3 million. This made the money solicited by community tantamount to Tsh 5 million. Since the World Bank had set some funds to support water related projects initiated by local communities, these were channelled through the district. The district used the HILL village action plan and integrated it into its plans. The village proposal qualified to get aid from the World Bank. The World Bank provided financial assistance of Tsh 60 million. In total, the fund raised was Tsh 65 million. The solicited funds were used to purchase a generator, water pipes, and other important equipments deemed necessary. The dis-

trict provided water engineers and surveyors whose costs were met by the district.

The assistance from the World Bank came timely, when the people were highly motivated and ready to work with their leaders. This spirit revealed itself in the way people surrendered their lands in order to facilitate the laying down of the water infrastructure. This went hand in hand with physical participation in provision of labour, for instance in trench making exercises. Men also made bricks for constructing the power house. The women fetched water and participated in transporting bricks to the selected power house site collectively. The underground water was drilled and pumped up by the generator. Convenient public water collection points were built and some selected households got tap water.

Management of the project

The HILL village water project was launched by the former Prime Minister Edward Lowasa in 2004. From this date on, the water problem became an historical event. The problems associated with this problem were solved. No longer did women have to walk long distances in search for water and no longer could water fetchers be threatened by predator animals. The project was people centred right from development stage. The people felt as if they themselves were the owners of the project and that they were ready to support it.

Having this water resource installed was in itself no guarantee that it would be sustainable. Through proper decision-making in community meetings, the people agreed that water would not be consumed freely. To ensure sustainability of the project, anyone enjoying the benefit of clean drinking water should contribute at least something.

There were selected public sites (water points) where water was to be harvested and some households were connected with tap water. With regard to water collection points, harvesters were asked to pay Tsh 10 per bucket. At every point there was a person to take care of it and to collect money from people. The money was to be submitted to the water committee head, a person who acted as a treasurer. Houses connected to tap water were given a fixed rate of payment. The income from the project was used to run the project. That included maintenance of the generator and the power house, the purchase of fuel, the payment of the security guards. Furthermore, some funds were saved to purchase new generators whenever the existing ones would become obsolete.

There were still management challenges since investiture of the water project. One issue was the theft of water pipes – an occurrence that irritated the people, especially since the village government remained silent when held accountable. It was even suggested that the village leadership were involved in the robberies. Furthermore, there were some conflicts between the participatory planning body

(PPB) and the village government. The PPB was becoming more popular than the village government itself, since it was very close to the people and reporting back every aspect associated with water management activities. When necessary, extraordinary village meetings were arranged in order to restore calmness. Sometimes the village leaders were force to call for a meeting.

Another challenge involved mishandled financial resources from the project. The perpetrators were forced to resign and pay back money in cash or goods. It was also observed that some households connected with water, were freely serving their neighbours and local constructors against the will of the people. All these challenges required the village government to use its authority and to be active in solving local problems, particularly water management problems.

Questions

1. Explain the pros and cons of collective action in the area of development projects.
2. What models and theories can be born from this case?
3. Why were the water projects initiated by the government during the 1970s short lived?
4. What lessons can one learn from this case?
5. Explain how the community voice (NGOs) and O&OD (LGAs) strategies could institutionalise the collective action strategy
6. What benefits and challenges are addressed from water project at HILL village?

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3

Good governance

Rashid Mfaume

Introduction

Quite often, collective problems are solved by establishing public bodies. These public bodies are entrusted with exclusive powers such as: The power to annex property, or the monopoly of violence. The use of these powers call for a normative framework on assessing whether or not these public bodies function 'well' or 'poorly'. The decision on how to use these powers can be referred to as 'governance'. The normative framework that judges the way this governance is conducted is the principles of good governance.

Good governance is not only a *normative* model that can be used to judge upon acts and deeds of public bodies; it is also an explanatory model that explains and predicts the effect of public policy, including the support for public bodies and decisions of these bodies. Principles of good governance are therefore relevant when it comes to implementation and enforcement of public policy.

This chapter deals with the concept of good government. The following section contains an overview of the elements of this concept. The case of Nyamuma village shows the relevance of this concept for public policy making.

The concept of good governance

From governance to good governance

To understand the concept of 'good governance', it is relevant to point out the more general term, governance. According to UNESCAP (2011):

> The concept of 'governance' is not new. It is as old as human civilisation. Generally 'governance' means: The process of decision-making and the process by which decisions are implemented (or not implemented). Governance can be used in several contexts such as corporate governance, international governance, national governance and local governance.

Another way of putting it is defining governance as a process, a use of powers or authorities to manage public affairs. It comprises of mechanisms, processes and institutions through which citizens and groups articulate their interests, exercise their legal rights, meet their obligations and mediate their differences (UNDP 1997). The World Bank defines governance as the manner in which power is exercised in the management of a country's economic and social resources (World Bank 1992). In this perspective, there are three distinct aspects of governance: (i) the form of political regime; (ii) the process by which authority is exercised in the management of a country's economic and social resources for development; and (iii) the capacity of governments to design, formulate, and implement policies and discharge functions (World Bank 1992).

Another international organisation, the Organisation for Economic Cooperation and Development (OECD) provides the following definition (OECD 1995):

> The concept of governance denotes the use of political authority and exercise of control in a society in relation to the management of its resources for social and economic development. This broad definition encompasses the role of public authorities in establishing the environment in which economic operators function and in determining the distribution of benefits as well as the nature of the relationship between the ruler and the ruled.

Therefore, the operational definition of governance is a manner in which public officials and institutions acquire and exercise the authority to shape public policy and provide public goods and services. Governance is actually the entire process of decision-making. Not only the substantial decision on the content of the public policy, but also the more organisational decisions on the design of the institutions, the actors involved in implementing the policy and the legal form of the agreements between these actors (contracts etc).

With the addition of 'good', the term 'governance' receives a normative meaning. Apparently governance can either be 'good' or 'bad'. The cited references often have this pejorative understanding. USAID for example calls good governance the capacity of the state, the commitment to the public good, the rule of law, the degree of transparency and accountability, the level of popular participation, and the stock of social capital. Without good governance, it is impossible to foster development. No amount of resources transferred or infrastructure built can compensate for - or survive - bad governance.

Actors and perspective of governance

Since governance is the process of decision-making and the process by which decisions are implemented, an analysis of good governance focuses on the formal and informal public actors involved in decision-making and implementing the decisions. In this framework the government as a whole is the most important actor when it comes to public policy. The government is actually not only one actor. Quite often we see more than one governments involved. And even within

one public body there are more entities that can be distinguished, like departments, politicians and public servants.

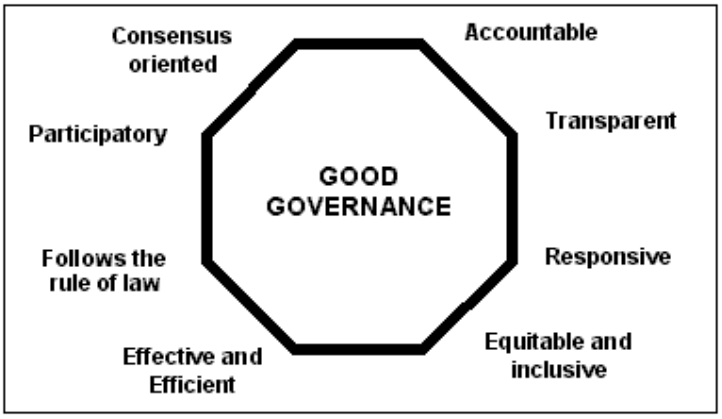
The actors surrounding the government vary depending on the level of government that is under discussion. In rural areas, for example, other actors may affect governance in comparison to the urban regions. In rural areas, one could expect influential landlords, associations of farmers, cooperatives, NGOs, research institutes, religious leaders, finance institutions of political parties, the military etc. The situation in urban areas is a little different. Besides the actors mentioned before, in urban areas there are also various active civil society groups, like neighbourhoods or communities.

All these actors are interconnected depending on issues and interest at stake. For example at the national level, the media, lobbyists, international donors and multi-national corporations may play a role in decision-making or in influencing the decision-making process. All actors other than government and the military are grouped together as part of the 'civil society.' In some countries in addition to the civil society, organized crime syndicates also influence decision-making, particularly in urban areas and at the national level.

Good governance

The principles of good governance refer to the situation in which the government adopts a way of understanding with all the actors involved, weighing conflicting interests and providing access to all interested parties. This is represented in eight characteristics or preconditions that need to be fulfilled (see also Figure 3.1).[1]

Figure 3.1 Characteristics of good governance



[1] These are the eight characteristics that have been identified by UNESCAP, a NGO that works in Asia and the Pacific. See <www.unescap.org/pdd/prs/ProjectActivities/Ongoing/gg/governance.asp>.

Participation by all stakeholders is an important precondition of good governance. Participation could be either direct or through legitimate intermediate institutions or representatives. Participation requires some kind of organisation. After all, there has to be a procedure, a moment in the decision-making where the stakeholders can voice their opinions and be confident that they will be heard. In many countries, including Tanzania, the most important mechanism of participation is by means of indirect representation through elected people's representatives. It is important to notice that all forms and mechanisms of participation present challenges since a representative democracy does not necessarily mean that all groups within the society are equally represented.

Rule of law. Good governance requires a fair, legal framework that is enforced impartially. 'Fair' refers to the weighing up of colliding interests. Any public policy results in a weighing of opposite interests. The planning of a road for example leads to the weighing up of the interest of on the one hand the economy and users of the road while on the other hand the residents living nearby the road who face the disadvantages. If there is no direct conflicted interest, there is always the more general perspective of the tax payer who has an interest in an efficient spending of public money.

All in all, the quality of this balancing of interests has to be fair, meaning that the public measure should not harm too many interests related to the aim of the measure. And if in the light of the public interests, a particular interest is harmed, this interest should be compensated in some kind of way.

The impartial enforcement refers to the unprejudiced and equal treatment of citizens. Public policy should not benefit specific citizens without a justified reason. Given these two prerequisites, the rule of law actually results in the institutional framework of the separation of powers. The separation of powers results in an independent legislator, acting with a direct legitimacy of the citizens and laying down general binding rules, an impartial and incorruptible administration and police force, that is empowered with the authorities to enforce the general rules, and finally an independent judiciary. These three powers function independently from each other, and they control each other. Without this separation of powers, there is the risk that the government exceeds the authorities assigned to it. The concept of the rule of law therefore transcends into some kind of constitutionalism: general constitutional rules of the organisation of the state and its institutions.

Transparency means that the decisions taken and their enforcement are done in a manner that follows rules and regulations. It also means that information is freely available and directly accessible to those who will be affected by such decisions

and their enforcement. This requires that enough information is provided and that it is provided in easily understandable forms as well as in the media. Transparency cannot be separated from an adequate provision of information. Safeguarding an independent and active press is therefore an element of good governance. Lack of transparency generates public perception of wrong doing and reduces trust.

Responsiveness. Good governance requires that institutions and processes try to serve all stakeholders within a reasonable timeframe. Claims and applications can never be ignored just like that. Delay or ignorance affects the confidence in the government and its policy.

Consensus orientation. There are several actors and many view points in a given society. Good governance requires mediation of the different interests in society to reach a broad consensus in society on what is in the best interest of the whole community and how this can be achieved. Consensus building can be achieved in several ways. Involvement of the relevant stakeholders, a participatory procedure in which policy is discussed and presented, are all important preconditions.

Equity and inclusiveness. A society's well being depends on ensuring that all its members feel that they have a stake and do not feel excluded from the mainstream of society. One could call this 'inclusiveness'. The other side of the coin is equity. The prerequisite of inclusiveness after all affects all members of society.

Effectiveness and efficiency. Good governance means that processes and institutions produce results that meet the needs of society while making the best use of resources at their disposal. One could call this effectiveness. The concept of efficiency also covers the sustainable use of natural resources and the protection of the environment. In the democratic setting, effectiveness and efficiency would mean that the actions of authorities do not compromise the democratic ethos and societal culture. If government authorities are interested with the end results without considering how the results have been achieved (the means), then that normative, instrumentally rational view would mean that the ethos of democratic governance is jeopardised. Instrumental rationality is when the actor considers only the end without considering the means in which the end has been achieved.

Accountability is a key requirement of good governance. Not only governmental institutions but also the private sector and civil society organisations must be accountable to the public and to their institutional stakeholders. Who is accountable to who varies depending on whether decisions or actions taken are internal or ex-

ternal to an organisation or institution. In general, an organisation or an institution is accountable to those who will be affected by its decisions or actions. Accountability cannot be enforced without transparency and the rule of law. Decision-makers in government, the private sector and civil society organisations are accountable to the public, as well as to institutional stakeholders. This accountability differs depending on the organisation and whether the decision is internal or external to an organisation. When considering accountability, three questions may be considered:

- *Accountability for what?* Here referring to material or substances to account for.
- *Accountability to whom?* Here referring to people and levels of reporting, answerability and the final people affected or whoever needs to be served.
- *How to be accountable?* Here referring to the means and the processes of executing accountability.

In a democratic setting, accountability would mean all three perspectives.

Good governance: A normative framework with some explanatory value

The eight characteristics of good governance as mentioned before are only attempts to clarify this normative framework. The characteristics are interlinked and cannot be seen as independent variables. On a more abstract level, one could recognise intrinsic values (equity, democracy), institutional preconditions (democratic and transparent decision-making procedure, separation of powers) and more or less neutral objectives (effectiveness, efficiency). All in all, good governance is not a neutral perspective.

Nevertheless, if one would explain why the implementation of public policy fails or encounters severe resistance, the explanation will often be related to failures in the design of the decision-making procedure, which were not sufficiently transparent, or did not provide access to all relevant stakeholders, etc. In that sense, the normative model of good governance, as described in this section, also has some explanatory value.

The case of the eviction of Nyamuma villagers

Nyamuma village

Nyamuma is a village in Serengeti District in the Mara Region. People in Nyamuma village, like many other people in the Mara Region and Serengeti District, are peasants and headsmen. Villagers grow different types of crops including maize and cassava. Like many others villages in Tanzania, over the years the population of Nyamuma kept on increasing year after year. This resulted in a fur-

ther expansion of the area occupied by the village. In 1993 Nyamuma was registered as a village, according to the laws of Tanzania. Being registered as a village, means that the village boundaries are clearly demarcated and at some stage, the land belonging to the village has to be surveyed.

Ikorongo Game Reserve

In 1994 the national government started the establishment of Ikorongo Game Reserve, situated in the north-west of Serengeti National Park. The establishment of this game reserve implied an exclusive right for the government to use this area or to grant a concession to private persons. Unfortunately for the residents of Nyamuma, the area that was intended to become Ikorongo Game Reserve also involved a large portion of the land which belonged to the village of Nyamuma.

The government issued very scant explanations despite the expressed dissatisfaction of the villagers. The only explanation given was that in Tanzania land is owned by the government and government can seize any piece of land for the public interest. Villagers were forced to vacate. What was remained was a small portion of the village, that was popularly known by villagers as 'Iliyobaki', literary meaning, the 'remaining Nyamuma'.

The protest

The villagers did not reconcile themselves to the decision of the central government. Several meetings were held between villagers and the leaders of their ward in an effort to find a solution that would result in a reasonable compensation. The villagers showed their dissatisfaction on how the whole matter was handled by the region and the district authority, both representatives of the central government. The dissatisfaction resulted in meetings with the district authority and village leaders to discuss the matter and find an everlasting solution. Many promises were made, including one that the decision would be re-studied, resulting in an outcome that would favour the villagers.

This promise could be understood from the point of view that 1995 was an election year, with general elections. The eviction matter was heavily covered by the news and every political party including opposition parties picked up on this issue as an example of the mismanagement of the current politicians. Though no specific party included it in its election manifesto, the Nyamuma issue received a priority in the campaign agenda in the Serengeti District. Leaders from the ruling party visited Nyamuma village and whenever the issue of eviction came up, they quickly assured that the villagers were not going to be evicted because the ruling party CCM would stand on their side.

The 1995 election resulted in a victory for CCM in the Serengeti District as well as in the local government. From that moment on, Nyamuma Iliyobaki re-

mained intact until 2001 when the government started to enforce its previous decision to establish Ikorongo Game Reserve.

The eviction

On 8 October 2001 Nyamuma villagers were caught by surprise and disappointment because of an invasion by an armed police force. This police force was heavily armed, carrying tear gas canisters and riot control weapons. The police was under the supervision of the district commissioner Ole Sabaya and his district police commanding officer in charge, both representatives of the central government. During the invasion, an announcement was broadcasted: Nyamuma Iliyobaki should be vacated by 12 October 2001.

The Nyamuma villagers were evicted using force from what they thought was their territory. Their homesteads and properties were set on fire. The villagers had nowhere to go and the district administration that implemented the eviction, stated that it was not the concern of the district to relocate the villagers.

The official complaint procedure

On 20 June 2002 Ibrahim Karosso and other 134 villagers filed their complaints to the Commission of Human Rights and Good Governance (CHRAGG) with assistance from Legal and Human Rights Centre (LHRC). The CHRAGG is an independent government department, established as the national focal point for the promotion and protection of human rights and duties. The CHRAGG came into existence in the year 2000 following the 13th Amendment of the Constitution of the United Republic of Tanzania 1977. Statutory, the CHRAGG reports direct to the president. Its statutory role is to recommend to the president any action to be taken on matters related to violation of human rights and good governance.

The Legal and Human Rights Centre (LHRC) that supported the villagers was formed in 1995 as a private, voluntary, non-profit and non-partisan organisation. Its mission is creating legal and human rights awareness in, and giving empowerment to, the general public and, in particular, the underprivileged sections of the society through legal and civic education, advocacy, research, follow up of human rights abuses and provision of legal aid. The target groups or beneficiaries of the Legal and Human Rights Centre (LHRC) include the indigent, women, children, youths, men, people with disabilities, politicians, policy makers, legislators, law enforcers, community leaders, influential people, civil society organisations and the general public.

After having received the complaint, the Commission under its chairman, Justice Kisanga, investigated the matter by interviewing 120 eye-witnesses. On 13 December 2004, the commission gave its findings and recommendations. The

commission concluded that the exercise of evicting villagers and destroying their properties by force was a violation of human rights and good governance. The commission ordered in favour of the villagers and recommended that they would be re-settled at Nyamuma 'Iliyobaki' and be compensated accordingly.

The order was not implemented. After three months the Attorney General wrote a letter to the commission saying that the government would not comply with the commission's recommendations. The Attorney General can be regarded as the legal advisor of the central government. With this letter, it became clear that the government would never implement the recommendations.

The matter then escalated in a series of threats and warnings from each side. Speaking confidently, the Regional Commissioner insisted that the government's duty was to evict the villagers in order to implement the first decision which was to expand the Ikorongo Game Reserve. Re-settlement of the villagers was not his responsibility:

> 'they can go anywhere, Tanzania is a vast country. We cannot assume and we are in fact not duty bound to look for another place for the villagers. After all, that was not a village, they invaded the game reserve land, and therefore they have to leave.'

Echoing the regional and district administration, the minister responsible for good governance made a strong statement that the government is not going to pay any compensation to Nyamuma villagers because the government acted responsibly in its effort to implement a policy decision. The minister stood firm that nobody could compel the government to act otherwise.

After all these statements from the government, the villagers, with assistance from LHRC, filed an appeal to the High Court in Land Division, pleading for court action to enforce the commission's recommendations. The High Court dismissed the application on the grounds that it had no jurisdiction to order court action to implement the commission's recommendations. The main argument was that the recommendations of the commission are not judicial decisions to be enforced by court of law.

The villagers then filed an appeal to the Court of Appeal against the decision of the High Court Land Division. In its judgment the Court of Appeal held that the High Court was erred in not considering the matter on merit of the case and ordered that the matter be remitted to the high court for further consideration.

Questions

1. Explain why the principle of good governance is mainly a normative model.
2. How can one distinguish the term ‘government’ and ‘governance’?
3. Why is it necessary to observe the whole issue of good governance?
4. Identify the problems related to the principles of good governance in the case of Nyamuma village.
5. What changes to the institutional framework would you recommend to enhance the principles of good governance?

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4

Developing public policy

Leticia Warioba & Dominik T. Msabila

Introduction

Since the declaration of Education For All in 1990 in Jomtien, Thailand and later the development of the Framework for Action in 2000 in Dakar, governments all over the world have been ardently searching for effective means to improve their education systems (Dy & Ninomiya 2003). In many countries educational innovations have been introduced which aim to achieve high quality and sustainable educational programmes (Aderinoye 2000). Unfortunately many of these innovations have had unsatisfactory results in a number of developing countries and quite often fail to achieve their initial goals and objectives (Dy & Ninomiya 2003).

In Tanzania the plans to improve the education fitted in a longer tradition of reforms and reorientation on the public policy on education. With the introduction of the Educational Act in 1962, the government aimed at ensuring that elitist tendencies and racial discrimination were wiped out in the education system (Mosha 1995). Efforts geared towards changing the education system gained momentum in the 1970s when the Universal Primary Education (UPE) was introduced. UPE was seen to be an essential part of social and economic transformation in the country (Mosha 1995). The launching of the UPE went hand in hand with the abolition of school fees which in turn caused enrolment expansion. This expansion called for the establishment of new primary schools and teachers' colleges (Sumra 1995). The means were not always sufficient in ensuring the quality of education. Therefore, the declaration of 1990 of Jomtien and the framework of 2000 of Dakar were a new boost to investments and the reorganisation of the educational system. In this chapter, this policy reform is analysed from the perspective of rational policy making. The education policy is, there-

fore, an example of two rational models that can be used to formulate public policy.

Models of formulating public policy

Characteristics of public policy

In general, a policy refers to the formulation of objectives, the identification of means and the actual making of decisions on these objectives and means. When it comes to *public* policy, the policy has the specific characteristic of public objectives: Objectives that benefit the country or a community. In principle every member of the community or every citizen should benefit from the public policy and the objective of the policy should be related to the 'public interest'.

Public policy is the purposeful course of actions aimed at realising the formulated goals of the policy. These specific fields of policy can vary from improving the quality of the education to improving the infrastructure or safeguarding the public safety in a city. If one wishes to analyse public policy, the field does not really matter. What is relevant for policy analysis is the decision-making process. This process involves the decision of which goals one wishes to achieve and which instruments will be used to achieve these goals.

Although in principle the policy process is an analytical and rational process, in practice the political context might blur the actual decision-making process. As Lindblom (1980: 5) states: Policy making is both an analytical and political process. One could argue with Dror (1968: 107) that policy is a very complex, dynamic process, whose components make different contributions. According to Mosha (1995) policies can range from mere statements of intent declared by politicians to well thought-out and detailed blueprints that clearly delineate priorities, specify objectives, and spell out means or instruments for their implementation.

Rational public policy model: The policy cycle

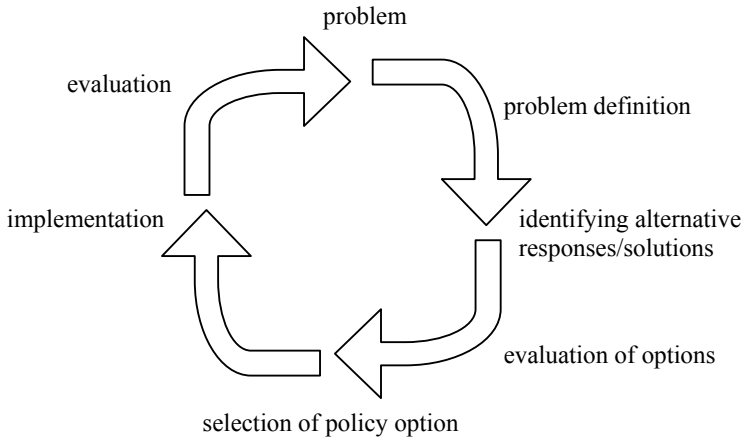
There are many models to analyse the development and implementation of public policy. These models can be used to both to explain and predict the effects and consequences of public policy. One can depict the process of policy making using a cycle. Proponents of this approach are Jones (1978) and Stone (2002). They argue that policy making is actually a process which consists of several steps that run in a cycle. These steps form a sequence, as shown in Figure 4.1.

Problem definition

This circle starts as a response to a problem. The first stage is the definition of the actual problem. In this stage, the government determines its policy in relation to other issues on the political agenda. This also implies a consideration of other activities that call for action and a consideration of the availability of resources.

After all, some problems are not easy to solve at all. These are the so-called wicked problems that will never result in a *public policy* (Rittel & Webber 1973).

Figure 4.1 The policy cycle

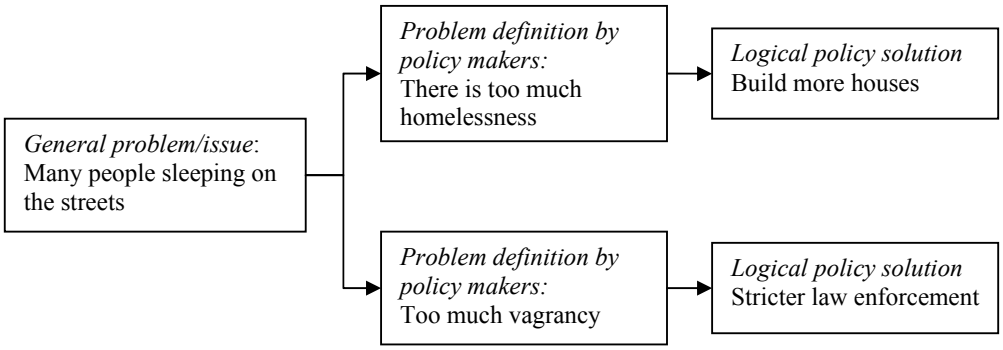


Source: Parsons 1995: 77.

The question of whether or not the government responds to a certain problem is not always predictable. This is actually a problem of 'agenda-setting'. Some stakeholders or pressure groups are more effective in fixing the attention of those that are involved in policy making than others. Examples of effective agenda-setting stakeholders include the external NGOs or trade unions. These groups represent an important power, either financially or in general support. If these groups call for action on a problem, the chance that the government recognises the urgency of the problem is larger than if the same problem is raised by smaller, less significant groups.

Raising a problem is one thing. But the exact definition of the problem is another. This is actually a very important phase in the development of a policy, since the specific definition of the problem gives a direction to the potential solutions to the policy. One might agree on the general problem that has to be solved, but might disagree on the detailed specifics of the problem which have to be dealt with in the public policy. As an example, Parsons (1995: 87) refers to the general issue that there are people sleeping on the streets. This issue can be identified as a problem of 'homelessness'. The logical policy would be to create more housing. If the same issue is identified as a problem of 'vagrancy' the policy response may be framed in terms of law enforcement and policing.

Figure 4.2 Same issues, different definitions of the problem



Identifying alternative solutions

Once the problem that has to be solved is clear, the next step is to identify the possible solutions. In general, policy formulation refers to the initiation and the development of policy options or proposals (Howlett & Ramesh 2003: 13). At this stage, policy makers engage themselves in discussing alternative policy choices, carrying out an initial evaluation of these options and making decisions on the best alternatives to be included in the policy.

There is more than one method to weigh up the alternatives. The more scientific way to choose the policy measure is by way of an experiment. An experiment is where one specific measure of policy is tested on a specific group and the exact consequences of this measure are compared with another (control) group that is not exposed to that policy. Such policy experimentation makes it possible to assess exactly the consequences of the policy solution. After all, in an ideal situation, all the remaining variables are equal to both the group that is exposed to the policy (the test group) and the group that is not exposed to the policy (the control group). If the experiment shows that that the measure has an effect in the test group, while the control group remains the same, that is profound evidence on the effect of that particular solution.

In public policy, it is often very difficult to create a 'policy experiment'. Sometimes it is possible to do such an experiment 'on paper'. This is called an 'impact assessment'. Especially when the policy comes down to a financial measure, like a tax increase, it is quite often possible to calculate exactly what the consequences of the measure will be for each (group of) citizen or company.

An impact assessment like this requires information on the group of citizens that will be affected by the public policy. When these numbers are not available, the only solution to evaluate the different solutions to the policy problem is a 'rational guess' on the possible effects of the different solutions. For this 'rational

guess', it is necessary to involve the professionals and peers that are capable of analysing the possible effects of the intended policy solution. Therefore, in the policy cycle, the policy maker often discusses alternatives with these professionals, including government officials, policy-planning organisations, policy analysts and interest groups (Porter & Hicks 1995: 8). The weighing up of the alternatives is then based on their professional assessment of the assumed consequences of each alternative.

Selection of policy option

The weighing up of the alternatives ends with a formal decision: The selection of the solutions that are expected to solve the policy problem. This phase is 'formal' since, quite often, the decision-making itself is based on a statutory authority. One can expect a legislative procedure ending with a decision of parliament which is approved by the president. Or when the discussions involved in day-to-day policy making end in decisions being made; for example in the district council; it has to be formulated on paper and signed according to all the formalities in order to give it a legal effect.

Implementation

Once the decision is made, the next phase is implementation. Policy implementation is an act of putting policy decisions into action in order to achieve specific objectives. Mayaya (1981) points out that public policy implementation has several logical sequences that must be followed if the goals of a policy are to be achieved. He states that, after the approval of the policy, a thorough study has to be made by implementing agencies. After all, the policy decision itself is one step, but the actual acts and day-to-day decisions are made by these agencies and public servants. In this phase implementing public policy contravene with organisational capacities or preferences. Quite often, the public policy neglects especially the capacity of the agencies that have to implement the policy. This capacity is always limited, both in terms of finances and in terms of human resources. To prevent the situation where the public policy is not implemented at all, Mayaya (1981) advocates three preconditions that have to be fulfilled for a successful implementation:

(i) Implementers have to be involved in the decision-making and have to carry out a cost-benefit analysis
(ii) The public policy has to be explained to the people and
(iii) The policy has to contain a policy implementation programme with procedures, plans, timetables, regulations, strategies etc.

It is important to emphasise that the task of policy implementation is the most important step in the policy making process. It is the actual implementation which creates an impact on the initial goals and objectives of the policy.

Evaluation

Sooner or later after the implementation, the policy will be evaluated. In any democratic system policies that do not turn out to solve the initial problem, are evaluated (and decided upon) by those who elect the politicians. After all, if the initial problem is not solved according to the needs of the voters, it will reach the political agenda once again, as the starting point of a new policy cycle.

One could call this feedback through elections a somewhat unstructured method of evaluation of public policy. Ideally, evaluation is already part of the public policy itself and takes place on the initiative of the policy maker. Such a rational policy evaluation can be traced back to the early 1930s, when social scientists advocated the use of empirical research methods to assess the effects and consequences of government policies and programmes. Policy evaluation grew as an activity after World War II because the growth in the number of programmes boosted the need for evaluations. Over time, policy analysis and evaluation became established fields of study (Hall 2009).

Evaluation involves the determination of the impact of policies on targets for the direct and timely use of those responsible for a policy intervention. Warioba (1992: 349) defines policy evaluation as the production of information on the value of the policy outcomes. According to Anderson (1994) policy evaluation is a systematic process for assessing the design, implementation and outcomes of public policies. Anderson argues that evaluation uses social science research methods, including qualitative and quantitative techniques, to examine the effects of policies. He describes policy making as a sequential process marked by distinct steps, such as agenda-setting, policy formulation, adoption and implementation. For Anderson, evaluation is the final step in this process. However, the process of public policy evaluation often results in new policy changes, which are then implemented and evaluated again.

A scientific evaluation of public policy consists of six steps:

Step 1: Learning the legislative history of the policy that will be evaluated. All public policies exist in a political context, so it is important to know how a policy came to exist in its current form.

Step 2: Identifying the key stakeholders of the policy. This means identifying not only the agency charged with implementing the policy being evaluated but also the intended recipients of services.

Step 3: Describing the policy that is being evaluated in the most detailed way possible. Since the evaluation is on the question of whether or not the initial goals and objectives are realised, these goals are preferably described as quantitatively as possible. In the example of the building of more houses as a response to the homeless citizens, the policy maker might have expressed its expectations on the number of houses needed to solve this problem.

Step 4: Collect the data needed for evaluation. The data may be qualitative (through interviews, observations), quantitative (numbers, annual reports) or a combination of both.

Step 5: Analyse the data. Though the goals might be described quantitatively, the description of the actual implementation calls for qualitative analysis. After all, only a qualitative study can answer the question of whether or not the policy caused the observed effects. It is important to keep in mind that these effects might also be caused by other factors rather than the policy itself.

Step 6: Report your conclusions based on the analysis. This should include specific recommendations for changes of the evaluated policy.

It is important to bear in mind that policy evaluation is rarely as simple or as straightforward as one might think. The initial goals are not always emphasised in the documents that contain the policy. Furthermore, if these goals are emphasised, one will rarely find a quantitative verifiable expression of this goal. Another pitfall lies during the checking of the data to see whether or not these goals are achieved. There is quite often the problem that there is a lack of data; the data are not reliable or the data are not available yet. Policy-makers often want immediate information on policy effects, but many programmes have long-term effects that will not be known in the short term (Hall 2009). And finally: The entire policy process, including the step of evaluation, takes place in a political environment. Since the analysis of the effects of the policy quite often leaves room for discussion, one can expect that this discussion sometimes has a political tone.

Incrementalism

The model of the policy cycle is not without its critics who argue that it creates an artificial view of policy-making. The real world, these critics state, is far more complicated and not composed of tidy neat steps, phases and cycles (Parsons 1995: 79). An alternative approach is that of incrementalism. Incrementalism refers to the situation where the policy is a continuation of previous government activity, with minimal changes made to the previous policy. Lindblom (1968) calls this ‘muddling through’. In this view, the development of public policy does

not follow the strict phases as set out in the policy cycle, but is rather more chaotic and less organised.

This model appeals more to the decision-making of public policy as can be observed in both developing and developed countries. In both situations the policy maker lacks the capacity or time to carefully analyse the results of the previous policy. Furthermore, policymakers tend to 'accept the legitimacy of previous policies because of the uncertainty about the consequences of the completely new or different policies' (Dye 2002: 36). Only a few governments are prepared or have the capacity to opt for radical changes of public policy. As a result, the policy process is dominated by incrementalism: Small steps that the policy maker tries to move towards for the desired outcome. The result is, quite often, a somewhat conservative policy, since the initial starting points are beyond debate (Lindblom 1968).

Two models tested

The concept discussed in this section was the policy cycle. The policy cycle shows a rational method to develop and adjust public policy with a clear sequence of phases and steps in the development and evaluation of public policy. In real life, the actual decision-making by policy makers might be different. Compared to the policy cycle, the model of incrementalism seems more realistic. The case of the education policy in Tanzania will show the differences.

Education policy in Tanzania

'Education for All' policy

'Education for All' is a global movement led by UNESCO, aiming to meet the learning needs of all children, youth and adults by 2015. The movement was launched in 1990 at the World Conference on Education for All in Jomtien, Thailand. In this conference representatives of the international community (155 countries, as well as representatives from some 150 organisations) agreed to 'universalise primary education and massively reduce illiteracy by the end of the decade'.

In 2000, ten years later, the international community met again in Dakar, Senegal. It was then clear that many countries were far from having reached this goal. They affirmed their commitment to achieving Education for All (EFA) by the year 2015, and identified six key measurable education goals which aim to meet the learning needs of all children, youth and adults by 2015. The six goals of EFA are:

Goal 1: Expand early childhood care and education
Goal 2: Provide free and compulsory primary education for all

Goal 3: Promote learning and life skills for young people and adults
Goal 4: Increase adult literacy by 50 per cent
Goal 5: Achieve gender parity by 2005, gender equality by 2015
Goal 6: Improve the quality of education

UNESCO has been mandated to lead the movement and coordinate the international efforts to reach Education for All. Governments, development agencies, civil society, non-government organisations and the media are but some of the partners working toward reaching these goals (Aderinoye 2000).

The EFA goals also contribute to the global pursuit of the eight Millennium Development Goals (MDGs). The eight Millennium Development Goals include: eradication of extreme poverty and hunger; achieve universal primary education; promote gender equality and empower women; reduce child mortality; improve maternal health; combat HIV/AIDS, malaria, and other diseases; ensure environmental sustainability; and develop a global partnership for development (Dy & Ninomiya 2003). The EFA goals coincide with the second and third Millennium Development Goals.

Education policy in Tanzania

During independence, the general situation of the Tanzanian education sector was not very good. This was due to the years of negligence. The education structure inherited was based on race and religion (Omari 2002). There were exclusive public schools for Indians, Goans, Africans, and Europeans. These public African schools had the least provisions in terms of teachers, facilities and capitation grants. Compared to these schools, the European schools had far better provisions.

Besides these public funded schools, there were schools for Lutherans, Catholics, Anglicans and Muslims (Omari 2002). Realising that such an inimical situation existed in the education system, the first task of the state was to establish the Education Act in 1962 to abolish the schools based on race and religion (URT 1995; Omari 2002).

In order to ensure the quality of the education provided, the Education for Self-Reliance paper was produced in 1967. The intention was to ensure that the provided education would not produce an elite class for white-collar jobs, who would get alienated from their villages and environments. The policy goal was to impart socialist attitudes and values of cooperation and sharing. Education would also aim at learning appropriate skills, basically for menial work that was rural tailored and was meant to enhance rural affinity and economic productivity. The prescribed curriculum therefore included and integrated both theory and practical skills (Omari 2002).

Universal primary education

In 1974, access to education services became a matter of great concern by the central government. This had to do with the increased number of pupils. To expand the capacity of the schools and to make education more accessible to people of all social groups, the government abolished the school fees in the so-called 'Universal Primary Education' programme (Omari 2002). The Universal Primary Education (UPE) was an ambitious programme that was aimed at ensuring that all children between ages of 7 and 13 years would finish at least the primary schools by the year of 1977 (URT 1976). To encourage the parents to register their children, the government launched many campaigns. This resulted in significant enrolment. In 1979, 98% of the children that were supposed to attend school were actually enrolled in a primary school (Kuleana 1999).

Nonetheless, the situation did not persist as it was planned. This was due to the fact that the programme was implemented in too much haste and without adequate preparations in terms of training of teachers, building classrooms, providing desks, textbooks and other teaching and learning materials (Mosha 1995). The huge increase of pupils did simply not correspond with the available human, financial and material resources (Masudi 1995).

Another problem was the economic crisis that took place after the war between Tanzania and Uganda. This crisis worsened the situation. The central government was forced to introduce budget cuts. That led to the decline of enrolment rates (Rajani 2004). The Gross Enrolment Rate (GER) dropped from 98% in 1979 to 77% in 2000 (Kuleana 1999). Meanwhile, the performance of pupils in primary school examinations deteriorated (Sumra 2001). A new kind of problem was brought to the attention of both the governmental institutions and the parents. No longer was education seen as only a matter of quantitative measures such as building enough schools and training sufficient teachers, but also the *quality* of education was focused on by the government.

The Tanzanian response to education for all

Since 1995, the government of Tanzania has introduced a series of educational reforms through a sector-wide development programme (URT 2001). This program was a response to the Education for All declaration and the Millennium Development Goals. All along, the primary education sub-sector has been facing a lot of challenges which stem from, above all, an education system that has been trying to educate a very large number of children from relatively poor households. This has been done within the constraints of a chronic shortage of public resources.

The policy documents contain a profound analysis of the problems in the educational sector. Many pupils learn in crowded, poorly furnished and unfinished

classrooms. Often the pupils have to share textbooks and other resources. Many teachers are poorly qualified and poorly deployed. The curriculum is often seen as too diverse and, in some ways, irrelevant for many of the pupils and their life needs. Many teachers, head-teachers and other education support staff are also poorly prepared for the management tasks.

The factors in the policy documents that contributed to this situation are, above all, the poor economic condition, both at a national level and at the level of the individual households. The scarcity of wealth within the households makes it impossible to ask for a higher contribution from the parents of the children. The current contribution is sometimes a reason for parents to keep the children at home. Over the years the percentage of children that are enrolled has been declining while absence and drop-out rates have been increasing.

Another reason for this development is the dreadful impact of the HIV/AIDS with its devastating effect on human capacity. A case of HIV/AIDS in the family quite often keeps the children from participating in the education system. In some cases the children themselves are affected by this disease.

Despite these problems, the Tanzanian government is determined to increase the level of education, in order to answer the economic demand for a well-educated, human capital.

Education and training policy and the primary education development plan

The challenges explained in the previous section contributed to a new public policy. The desire to improve the provision and quality of education resulted in the formulation of the Education and Training Policy (ETP) in 1995. The Education and Training Policy (ETP) encompasses the entire education and training sector. The major objectives of this policy are to achieve increased enrolments and to expand and optimise the utilisation of facilities. Other policy aims include enhancing partnerships in the delivery of education; broadening the financial base and the cost-effectiveness of education; and streamlining education management structures through the devolution of authority to schools, local communities and local government authorities (URT 2001).

In order to implement the Education and Training Policy (1995), a sector-wide approach is adopted. This approach establishes new relationships which promote partnership amongst all sectors of society with a vested interest in education (URT 2001). This approach enhances the establishment of the Education Sector Development Programme (ESDP).

The Primary Education Development Plan (PEDP) is one of the first outcomes of the Education Sector Development Programme (ESDP). The plan was launched in July 2001 with the aim of improving both access to, and the quality

of, education. Financed jointly by the government of Tanzania, the World Bank and other Development Partners, the PEDP goals include:

- Improving education quality at the school level;
- Improving retention and completion of the seven years of primary education cycle for all children;
- Providing equitable access to all children, and
- Building adequate capacity at the school, community, district and central government levels.

According to Hakielimu (2003), the Education and Training Policy is perhaps the most ambitious attempt, after the Universal Primary Education (UPE) drive in 1977, to affect primary education in Tanzania. The Primary Education Development Plan (PEDP) goes beyond the aims of the Universal Primary Education (UPE) which was primarily concentrating on expanding access. The PEDP is more comprehensive in its scope. This means that, in addition to addressing access, it also emphasises on improving the quality of teaching and learning, increasing the funding available for the school level and making institutional arrangements more democratic and transparent throughout the system (URT 2001)

Good progress has been made in achieving both access and quality as indicated by different government reports, such as the Basic Education Statistics of the Ministry of Education and Vocational Training. Key achievements include: Increased access such that the Net Enrolment Rate (NER) in Tanzania improved from 58.6% in 2000 to 96.1% in 2006. Another result is the improved quality, such that the pass rate of students completing primary education, assessed through the Primary School Leaving Examinations (PSLE), significantly improved from 22% in 2000 to 61.8% in 2006. This represents a real improvement in learning outcomes (URT 2008).

Tanzania in now implementing the second phase of PEDP that started in 2007 and will end in 2011. Based on the lessons learnt from PEDP 2002-2006) PEDP II has extra areas of focus. These are cross-cutting issues such as HIV and AIDS, environmental education, gender equality, educational research and the monitoring and evaluation of implementations of educational planning activities. Central to PEDP II is ensuring adequate availability of appropriate equipment and teaching and learning materials (URT 2008)

Sumra (2003) adds that, if implemented successfully, the Primary Education Development Plan (PEDP) can transform the nature of schooling in Tanzania and help ensure that every child is able to enjoy the right to quality primary education.

Questions

1. Give a definition of the term 'policy'.
2. What do you understand by the term 'policy cycle'?
3. Identify and explain the differences between the model of the policy cycle and the incrementalist approach.
4. Identify the steps in policy making with regard to the education policy in Tanzania. Does the education policy follow the phases of the policy cycle or is the incrementalist approach a better description of the development of the education policy?

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5

Implementation of policy

Leticia Warioba & Dominik T. Msabila

Introduction

In the policy cycle, the implementation of policy is identified as a separate step. In practice, this phase of implementation is perhaps the most important step that determines the success or failure of a policy. A certain policy can be beautifully designed on paper. But if it is not implemented well, it will show no effects to the actual policy problem. The opposite is also possible: A policy can have its shortcomings or design errors, but once the policy is implemented, these errors can be corrected.

This chapter discusses the concept of policy implementation. This concept is illustrated with the case of the implementation of the education policy in Morogoro Municipality in Tanzania.

Policy implementation

Approaches to policy implementation

Policy implementation is a complex process that is determined by various variables including people's personal interests, resources, the government structure, local people's awareness, people's attitudes and people's values. These factors influence the way the policy is implemented and hence the approach to policy implementation. Warioba & Gibai (2003: 38-40) identify four approaches to policy implementation: Structural approach, procedural and managerial approach, behavioural approach and political approach.

Structural approach

The structural approach is based on the basic assumption that appropriate organisational structures are needed for policy implementation. Any policy results in

organisational questions and problems. Sometimes the implementation takes place within the structures of the government, by an agency or a department. In other situations, the policy has to be implemented by other governmental bodies, such as districts or municipalities. And finally, for some policies, the implementation depends on private actors.

In all these situations, implementation of policy results in organisational questions. Sometimes the implementation takes place within the hierarchy of the government. The main mechanism to safeguard an adequate implementation of public policy is then the functioning of the bureaucratic organisation. The typical mechanism in a bureaucracy is control, reward and punishment. Additionally, there is a strong belief under this approach that education, training, and support will result in an organisation that is able and willing to accomplish the policy objectives.

In the event that the implementation is dependent on the cooperation of private actors, the organisational structure takes the form of contracts or joint ventures. These specific forms of organisation share that they are based on the idea of mutual agreement. Essentially, the policy maker is the principal and is depending on the cooperation of the private agent. The contracts or the joint ventures are just organisational forms to ensure this cooperation.

In the event that the policy has to be implemented by public agencies or other governmental organisations, the organisational structure is quite often a hybrid of both, hierarchical relations and mutual agreements. The shapes of the organisational structure differ according to the variation of the specific policy and its environment.

Procedural and managerial approach

The procedural and managerial approach ignores the specific structure and focuses on the procedures that have to be followed. One form of these procedures involves managerial procedures. To be more specific, in this approach the implementation is a matter of scheduling, planning and control. The procedural approach requires, first of all, a design of the programme with clear objectives, tasks, performance standards, costs and timing. This programme is then executed by mobilising appropriate structures and staff, funds and other resources. And finally the implementation according to this procedure approach requires the establishment of an appropriate scheduling, monitoring and controlling devices to ensure that the programme proceeds as intended. This managerial approach enables the policy maker to take action quickly whenever deviations occur.

Behavioural approach

In the behavioural approach to policy implementation, the most important notion is that there are limits to what can be achieved through the design of organisational structures and procedures. Human behaviour and human attitudes are the most important factors that make a success or failure of the implementation of policy. This behavioural approach begins with the recognition that change often encounters resistance. This resistance can vary from open, active resistance, to more hidden resistance or indifference. Quite often resistance is related to fear and uncertainty.

In fact, if symptoms and causes of resistance are understood, the strategy that follows the behavioural approach is obvious. First of all it is necessary to provide the full information at the early stages of the policy process. This is to ensure that those who are needed to help implement the policy are able to anticipate the changes. Furthermore, this transparency might help to justify these changes.

Besides transparency, involvement and consultation of stakeholders is another strategy to ensure support for the policy. From the perspective of the behavioural approach, participative decision-making is therefore (highly) recommended.

Finally, honesty about problems and dangers has to be made known through valid communication. From the perspective of the policy maker, it is important to have control of the communication on the policy. Bearing in mind that it is generally impossible to hide critical information, it is better to control the message that delivers this information. After all, the more devastating alternative is to leave this to the criticasters. In the long term, that will undermine the support for the government and public policy in general.

Political approach

The political approach focuses on the use of power. The major assumption is that organisations are characterised by conflict due to opposing or contradicting people's beliefs and values. The conflict can be between organisations or between individuals. The extent to which this conflict becomes dysfunctional will influence the implementation of the policy. If the conflict reaches high levels of destructiveness, it may have negative impact on policy implementation. All in all, conflict within and between organisations and social groups is endemic rather than exceptional and cannot simply be stamped out.

In this approach, results in deliberate plans of action to guide decisions and achieve rational outcomes are provided by people with power. These powerful people are, for example, the president, ministers, members of parliament or other political leaders. The decisions and guidelines for policy implementation are prepared at the top and given for action to the people at the grassroots level.

Implementation of policy is geared through rewards to those achieving the goals and interests of those with power. This reward often results in a political career. Those granted a political function receive more powers as well. Since political careers run through both public and private organisations, through governmental bodies and private companies, the incentive of receiving political power is quite often a sophisticated and not easy to uncover mechanism.

Comparing the approaches

The four approaches are not exclusive. In practice, implementation of policy is based on a mixture of instruments that are related to different approaches. Generally, the implementation strategy depends on the question of what to implement, how to implement it and the technique or strategy for effective implementation (Dunn 2008: 136-137). While answering these questions the precise approach is less relevant.

It is clear though that some policies depend more on cooperation of individuals or professionals. One could think of the implementation of a new curriculum in primary schools for example. In this situation, a procedural or a behavioural approach involving the teachers or their representatives that have to actually conduct the curriculum seems fruitful.

In other cases, the policy is dependent on cooperation of other governmental bodies. A building program for more schools is an example. In that situation it might be an option to choose a strategy rewarding those who support the policy using a structural or a political approach.

Normative versus descriptive theories

Sometimes the actor that makes decisions on implementing a policy uses a normative way of reasoning and in other situations the reasoning is more practical by nature. This distinction between normative or prescriptive (what one *ought* to do) and positive or descriptive (what one *actually* does) is significant. The description of the approaches in the previous section also has both normative/prescriptive and positive/descriptive meanings. This section therefore elaborates the differences between normative or prescriptive theories and positive or descriptive theories.

Normative or prescriptive theories

Most implementation theories are normative and prescriptive. They are concerned with identifying the best alternative to take when implementing a policy, assuming an ideal decision-maker who is fully informed, able to compute with perfect accuracy and is fully rational. These normative theories are concerned with *prescribing* how people actually *ought* to make decisions. The normative

theories help people determine the optimum level of implementation of the policy (Dunn 2008: 87).

Normative theories of policy implementation can be divided into *deontological*, *teleological* and *practical* normative theories. The *deontological* normative theories claim that certain kinds of actions are inherently right or obligatory or right because they conform to some formal principle (Dunn 2008: 351). According to Dunn, deontological theories state that people should adhere to their obligations and duties when analysing and implementing various policy decisions and they insist on doing things that are moral or right. Injustice is highly discouraged in this theory. By following the deontological theory, leaders will make good promises to people and accomplish them in a justifiable manner. Furthermore, by following this theory, policy makers will be able to make consistent policy decisions that are in line with what individuals need to and are supposed to do.

In a *teleological* theory all actions are directed towards achieving certain ends which are considered as 'good' or 'rightful'. Politicians using this theory will focus on outcomes or ends rather than considering the correctness or rightfulness of the actual policy decisions and actions. In other words: Lying is allowed if it helps to attain the rightful objective. The end justifies the means. Since this theory is concerned about the consequences of the policy decisions, it is referred to as the consequentialist theory.

A prominent variation of teleological theory, one that has deeply affected policy analysis and implementation through modern welfare economics, is utilitarianism. Utilitarianism stands in the tradition of Jeremy Bentham and John Stuart Mill in the 19th century. According variation of teleological theory an act is considered 'right' if it brings about the best consequences to the largest number of people in the community.

Practical normative theories use a reflective moral action as a process for discovering the criteria on which values and ethics may be known. Practical normative theories have stressed reasoned moral discourse as a process for creating and evaluating ethical as well as scientific knowledge. These theories are sometimes referred to as good reasons theories and are practical to the extent that actions are deemed right or valuable because they conform to principles, or result in consequences, that have been established on the basis of reasoned transactions among persons who affect and are affected by the development and application of moral rules in policy implementation (Dunn 2008: 351-352). Simply put, this theory lends itself to the transactional model of policy implementation.

Positive or descriptive theories

The positive and descriptive theories are concerned with actual choices. The theories attempt to *describe* what people actually do in certain situations (Suhonen 2007: 8). These theories are also referred to as interpretative theories. The starting point for these theories has been in empirical experiments and research, where it has been shown that people's behaviour is inconsistent with the normative theories. These experiments show that the answers of people about their opinions (quite often normative) differ from what they actually do. These theories are relevant for all kinds of behaviour, both on an individual level (street-level bureaucrats) and on the level of organisations.

To start small: Individual decision-making is quite often pictured as 'semi-rational' (Simon 1957). This means that individuals make their own costs benefits calculation on the base of their limited knowledge. Costs can be anything, from material costs to time involved in the decision-making. The same goes for benefits. The result is an individual weighing up of pros and cons on the decision to implement the policy or not. Lipsky (1980) shows that this costs benefit calculation can be affected by time constraints. He shows that within the street level bureaucracy, many individual rational decisions take place, effecting the implementation of the policy.

The theory asserts that because agencies or organisations recruit people from similar backgrounds and subject them to similar stimuli, a sizeable portion of an organisation's membership often shares preferences and beliefs. The preferences and beliefs are also referred to as goals and world view of the agency (Montjoy & O'Toole 2001: 466). In each organisation, there is a dominant group that has power, this groups provides the guidelines and directives on how to undertake the actions towards implementing certain policy.

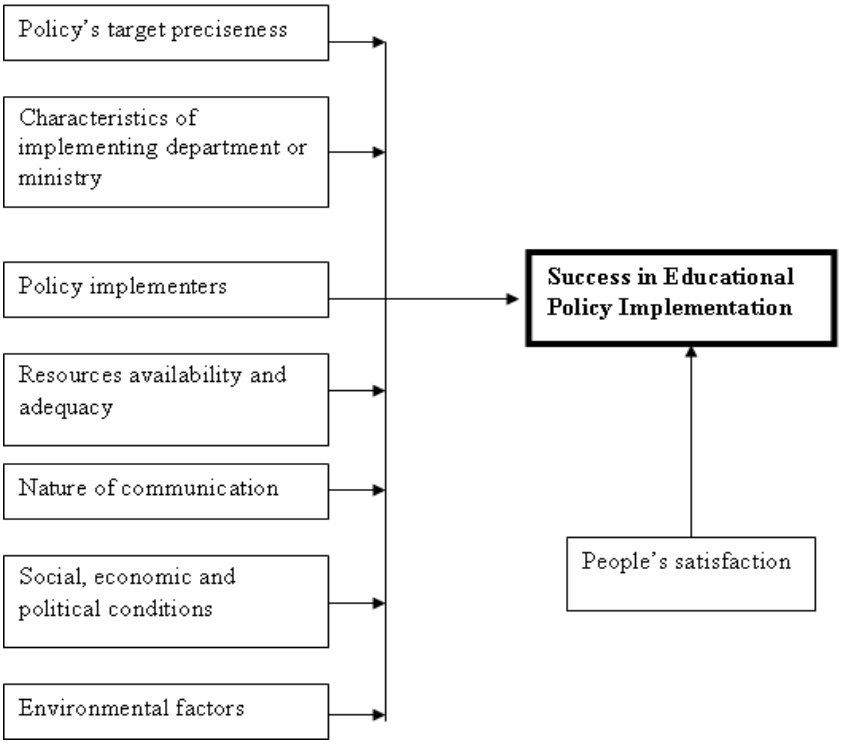
Factors influencing policy implementation

There are various variables or factors which influence an effective implementation of the public policy. The content of the policy is a factor, especially in relation with the preferences and values of those that have to implement the policy. The precision and clarity of the policy targets are relevant, since these make it possible to monitor and control the actual implementation. Another relevant factor is knowledge and understanding of the policy by those that have to implement the policy. Clear and honest communication on the measures and effects of the policy is relevant as well. Finally, implementation is dependent on proper resources management.

These are just some of the factors that encourage or hamper an adequate implementation. Implementation will ultimately affect the satisfaction of the people that are depending on the public policy. Therefore research on the effects of the

policy and the failures or successes of the implementation of the policy is very relevant. Figure 5.1 shows the relationships between the factors. The case of the implementation of the education policy in Morogoro Municipal illustrates the relevance of these factors.

Figure 5.1 Conceptual framework for implementation of education policy



Source: Adopted and adapted from Lekmoung's (2006) model of policy implementation.

Implementation of education policy in Morogoro Municipality

Introduction

Morogoro Municipality is located in the Morogoro Region in Tanzania, about 200 km from Dar es Salaam. The municipality has more than 50 unplanned neighbourhoods. These are densely populated areas with poor infrastructure. Residents of these informal neighbourhoods lack basic services such as water supply and sanitation.

Morogoro faces severe challenges. The first challenge is the rapidly growing population and secondly the limited resources available. The municipality has been unable to exert control over the use of natural resources. Polluted air and

water sources, soil erosion, and poor solid waste management are only a few of the problems the municipality has to deal with.

The challenges are not only related to environmental issues. Due to the increased population, there is also pressure on the provision of education. The municipality has 59 public primary schools where the Primary Education Development Plan (PEDP) has been implemented. The Primary Education Development Plan (2002-2006) was launched in Tanzania as one of the first outcomes of the Education Sector Development Programme (ESDP) to implement the Education and Training Policy of 1995 and the Education for All policy.

The national policy holds quantitative data on, for example, the required number of teachers' houses, class rooms, etc. These numbers enables us to assess the actual implementation of the policy. After all, if the output accords to the quantitative goals, that is an indication that the policy was successfully implemented.

The implementation of the education policy in Morogoro Municipality

To assess the implementation of the education policy as laid down in the Primary Development Plan and the Education for All policy, a case study was conducted. For this case study, six schools were randomly selected. The selected primary schools were: Mji Mkuu, Mwembesongo, Msamvu, Mwere, Mtawala, and Kikundi.

The data on the question of whether or not the policy was actually implemented, was collected with structured and unstructured interviews with 60 respondents (pupils, teachers and head teachers), observations and documentary reviews. Interviews and observations provided primary data while documentary reviews provided secondary data. Observations entailed making physical visits to the respective schools in order to see in person the way pupils were sitting in classrooms; to establish pupil-desk ratio; book-pupil ratio and pupil-teacher ratio. The research also aimed at assessing the quality of classrooms.

Output

Construction of teacher's houses

One of the priority areas in implementing Education for All policy was the construction of teachers' houses. The argument was that providing lodging for teachers is a necessity especially in remote areas where it is less attractive to live.

The required number, according to the public policy, is based on the number of teachers required on the school. This required number is compared with the actual number of teachers' houses. Table 5.1 shows the result of this comparison. The table shows that in some schools (Kikundi, Mtawala) there are no teachers' houses at all. In other schools, the number of available teachers' houses is very small compared to the required number. Only in Msamvu do we see a rather sig-

nificant number of teachers houses, although still far too few compared to the required number of houses.

Table 5.1 Number of teachers' houses realized in 2009 compared with the standards

Primary school	Required	Available	Deficit
Mwembesongo	38	2	36
Mji Mkuu	21	1	20
Mwere	30	3	27
Msamvu	38	16	22
Mtawala	37	0	37
Kikundi	24	0	24

Source: Research data in Morogoro Municipality 2009.

Construction of classrooms

Another indicator of the actual implementation is in the construction of classrooms. Classroom construction is one of the major priorities in the Education for All programme. Table 5.2 shows the actual number of classrooms compared with the intended number. Mji Mkuu has enough classrooms and fulfils the initial goals of the policy. Kikundi has a slight shortage of class rooms. In the other primary schools, the deficit is larger. In Mwembesongo, Mwere and Mtawala the gap is (almost) 50%.

Table 5.2 Number of classrooms realised in 2009 compared with the standards

Primary school	Required	Available	Deficit
Mwembesongo	28	14	14
Mji Mkuu	17	17	0
Mwere	17	9	8
Msamvu	18	8	10
Mtawala	26	13	13
Kikundi	16	13	3

Source: Research data in Morogoro Municipality 2009.

Construction of pit latrines

Sanitation is the third major goal of the Education for All policy. To accomplish better sanitation, one of the goals was to build sufficient pit latrines in primary schools. Table 5.3 shows the comparison of the actual number of pit latrines compared with the required number. Only Mji Mkuu has a sufficient number of pit latrines. All the other schools have a (large) shortage of pit latrines.

Table 5.3 Number of pit latrines realized in 2009 compared with the standards

Primary school	Required	Available	Deficit
Mwembesongo	60	12	48
Mji Mkuu	12	12	0
Mwere	15	6	9
Msamvu	25	10	15
Mtawala	39	10	29
Kikundi	20	12	8

Source: Research data in Morogoro Municipality 2009.

Construction of teachers' offices

The construction of teachers' offices was also one of the top priorities in the EFA policy. The goal was not to build an office for every teacher, but a number of offices are required to give the teachers the chance to prepare their courses. Teachers' offices are also used to assist students on an individual level if they need individual attention. The actual situation of the visited primary schools shows that number of offices available was generally inadequate (Table 5.4) since one office was shared by more than twenty teachers and the offices used were formerly classrooms.

Generally, the number of offices is inadequate. A lot needs to be done in order to construct more offices in order for teachers to be able to work comfortably and effectively in schools. One of the teachers at Msamvu commented on the lack of teachers' offices made it difficult to help pupils with learning problems. The shortage of offices made it less attractive for the teachers to work extra hours when it was necessary. The head teacher of Msamvu Primary School noted that inadequacy of teachers' offices was caused by inadequacy of funds given by the government for construction. Much of it was focused on classrooms construction rather than offices.

Table 5.4 Number of teachers' offices realised in 2009 compared with the standards

Primary school	number of teachers present	number of offices			comment
		required	present	deficit	
Mwembesongo	40	3	2	1	inadequate
Mji Mkuu	22	2	2	1	inadequate
Mwere	27	3	2	1	inadequate
Msamvu	40	3	1	2	inadequate
Mtawala	39	3	2	1	inadequate
Kikundi	21	2	1	1	inadequate

Source: Research data in Morogoro Municipality 2009.

Recruitment and deployment of teachers

The education policy is not only on investments in building and infrastructure. Another goal is investing in bringing the number of teachers to an adequate level. The argument is that the less students per teacher, the more attention to each individual student and the better the quality of the education.

Table 5.5 depicts that the teacher pupil ratio (TPR) in the schools that were visited during the study ranged from 1:50 to 1:26. This implies that the TPR varies from one school to another because of disproportionate distribution of teachers in relation to number of pupils. Since the goal of the Education and Training Policy (1995) of Tanzania is to have a TPR of 1:45, the teacher-pupils ratios in table 5.5 provide the proof that the Education and Training Policy (1995) has not been implemented adequately. Some schools, like Mwere, Msamvu and Mtawala have a TPR that is better than the national standard, while other schools, like Mwembesongo are far from meeting the requirement. Therefore a lot of effort need to be made to address this problem.

Table 5.5 Teacher-pupils ratio in 2009

Primary school	teacher-pupils ratio
Mwembesongo	1:50
Mji Mkuu	1:40
Mwere	1:26
Msamvu	1:27
Mtawala	1:29
Kikundi	1:40
Average TPR	1:35

Source: Research data in Morogoro Municipality 2009.

Procurement of books

The quality of education does not only depend solely on teachers and buildings, but above all on the availability of books and manuals. The procurement of books was a move to curb the problem of book-pupil ratio that had escalated to alarming rates. This was in line with the policy goal of ensuring promotion of quality of education in schools. The policy goal is that every student should have his or her own book. This makes it possible to study at home if necessary. The actual situation in the schools shows a deficit towards this goal.

The policy goal has not been reached in any of the schools (Table 5.6). The initial goal of one book for every pupil is therefore still only a dream. The number of books available, especially in Mji Mkuu, is very limited. Nine pupils have to share one textbook there.

Table 5.6 Book-pupils ratio in 2009; standard 1:1

Primary school	book-pupils ratio
Mwembesongo	1:5
Mji Mkuu	1:9
Mwere	1:5
Msamvu	1:4
Mtawala	1:4
Kikundi	1:6

Source: Research data in Morogoro Municipality 2009.

Analysis

The data show that none of the initial policy goals were reached. The output observed at the grassroots level was less than what was aimed for when the policy was designed. The interviewed respondents provided some more information on the gap between goals and practice. The most important factor is the insufficient financial resources to buy books and undertake other educational activities to improve the education. This factor especially addresses the investments in the buildings and textbooks.

More specifically, with regard to textbooks, the liberalisation of the book production industry was mentioned as an important factor. Quite often, the required books were not available or simply not available at the right time. It was therefore difficult to obtain and distribute the adequate number of books.

Another problem was the lack of support from the communities. It appeared nigh on impossible to generate money from the community to increase the funds disbursed by the government. The communities were simply not willing or able to pay any more than they already did. Specifically, with regard to Kikundi primary school, it was not only the lack of financial support, but also the lack of opportunities to build the required number of buildings. This school is situated on a wetland, making the space for new buildings scarce.

The third factor mentioned was the lack of management skills in the schools. The head teachers are quite often teachers instead of managers. In the improvement programmes they are required to register and apply for extra funds. Quite often, the head teachers lack the knowledge or the skills to carefully plan these investments.

A fourth factor has to do with cultural aspects. Many schools suffer from a lack of reading culture, absenteeism and issues of under-age pregnancy. The latter causes early drop-out and getting married under age. The girls are especially the victims of this situation, emphasising the still existing gender inequality.

Despite these factors, Morogoro Municipality has realised moderate success with the implementation of the Education for All policy. The research shows that

the district was successful in recruiting new teachers, resulting in better teacher-pupils ratios. Also, the purchase of books and desks improved during the years, despite the fact that the situation in 2009 was still not complying with the national standards.

Recommendations for better implementation

Based on the problems identified in this study, one could formulate some recommendations to improve the implementation of the policy goals identified in the Education for All policy. These six recommendations were formulated:

1. First of all, the government should find more funds for implementing EFA in the country. The district councils as well as other local government authorities should be encouraged to find other sources of funds for implementing EFA policy.
2. Secondly, it is important that funds from the government are punctually disbursed to make sure that the planned educational activities are carried out successfully and without delay.
3. Thirdly, the head teachers and teachers should be given frequent courses in order to equip them with modern skills and techniques of teaching and managing school activities.
4. The fourth recommendation focuses on gender inequality. This issue of access to basic education should be given the highest consideration. This should go hand-in-hand with establishing ways of ensuring that girls pursue their studies without any problems.
5. Fifthly, effective ways should be sought to promote the reading culture, not only among pupils, but also among the other community members. When the reading culture is inculcated among all community members, implementation of the EFA policy becomes easier.
6. Lastly, incentive packages for teachers with very big workloads should be provided in order to motivate them to work diligently. Diligence among teachers can help in promoting pupil's performance and enhancing the quality of basic education.

Questions

1. What do you understand by the term 'implementation?'
2. Identify and explain various factors that influence effectiveness in policy implementation.
3. Explain the distinction between normative, prescriptive theories and positive, descriptive theories.
4. What are the main goals of education for all policy? Who is the policy maker?
5. Which of the four approaches is used by the policy makers to implement this policy?
6. Why was the policy not fully implemented?
7. Do the factors mentioned by the respondents point at *normative* or *positive* causes for the non-implementation?

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6

Community participation

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Introduction

Public policy addresses citizens. It aims at changing the situation of these citizens, for example, by providing social services like education or health care. Quite often, the success of public policy depends on the co-operation of these subjects of public policy. After all, only if a large majority of the citizens obey the law and pay their taxes, can public institutions function. Participation of the citizens in the process of policy development is an important tool to ensure this co-operation.

In this chapter, the concept of community participation is explained. The description explains the relevance and the various modes of participation. Thereafter, two different cases on community participation are introduced. The first one on healthcare describes a situation in which the government takes the initiative. In the second case, on water supply, the citizens themselves take the initiative and seek support from the government. Both cases illustrate the relevance of participation in public policy making.

Community participation

Communities and participation

The concept of community participation in development activities emerged in the late1960s to early 1970s (Freire 1972; Fals 1969, 1972; Rahma 1995; Savita 2007). It was then formalised in a number of reports of the United Nations, like the report 'Popular Participation in Development' of 1971 and the report 'Popular Participation in Decision-Making for Development' of 1975. This attention for community participation can be seen as a reaction on the failure of the previ-

ous top-down state-led regimes. These regimes did not provide an opportunity for communities to actively participate in the decision-making process.

Participation refers to a process by which people are enabled to become actively involved in defining the issues that concerns them (problem definition), in formulating the possible solutions and then implementing this policy (Smithies & Webster 1998). Participation as a concept refers to any form of interactive policy making, both in the private sector, for example in a workers council in a firm, and in the public sector. In the public sector participation refers to the involvement of communities. A community as a group of people are united by common characteristics. These characteristics might be geographical, values, religious or traditions, etc. (CDC 1997).

Features of participation

The most important feature of participation is the fact that decision-makers gather information through participation. Decision-making is therefore based on a better knowledge of the actual facts. The information provided by citizens is very valuable for decision-making. Citizens can provide information about the exact problem that has to be solved or the effects of the possible solutions. Community participation is therefore ensures a wide range of viewpoints of community members being considered (Richard & Frederic 1996). In this point of view, participation has mostly an instrumental function: gathering information to make well-informed decisions.

From a more normative point of view, participation has the function of enlarging the legitimacy of decision-making. One of the major assumptions of participation is that the opportunity to contribute actively to the decisions will enhance the development of the community. The reason is that involvement of local people will give them control of policy making. As a result, there is a reasonable chance that the community will maintain the services and ensure that the services are provided. Participation therefore enlarges legitimacy of decision-making (Chavis & Wandersman 1990; Crook & Manor 1998).

Both from an instrumental and a more normative point of view, community participation is linked with improvements in policy, policy implementation and government's service delivery in general. This is, most of all, explained by the fact that participation creates a channelized mode of reaction on policy that, if used adequately, does provide the opportunity to make better decisions.

Exit, voice and loyalty

Given the relevance of participation and its function for adequate policy making it is then relevant to explain and predict the actual use of participation procedures by the local community members. For this, one could model the relationship be-

tween the policy maker (decision-makers) and the citizens as a long standing relation with mutual interests and dependencies.

On this relationship, the general model of Exit, voice and loyalty, introduced by Hirshman (1970) can be applied. This model explains and predicts the reaction of dissatisfied customers on services in the private sector. Dissatisfied customers can choose either to exchange the supplier for another supplier (exit) or can raise their voices and complain (voice). The choice between either exit or voice is based on a rational calculation. With both alternatives, costs are involved. The customer has to file a complaint or has to search for another supplier.

On the other hand, the benefits in the sense of improved service are uncertain. If one opts for another supplier the risk remains that the new supplier is not satisfactory as well. And filing a complaint has the same uncertainty: The customer makes it known that he is unhappy, but is uncertain that his complain will result in a better service.

Due to these relatively high costs and uncertain benefits, dissatisfied customers often opt for a third alternative: Remain loyal. Loyal, but dissatisfied customers are a threat for the provider. After all, these customers will go to another supplier as soon as they have the chance to do so.

Though this model of exit, voice and loyalty is based on customer-supplier relations it is quite easy to transform this model to the relation between citizen and public policy maker. After all, in this relationship both the citizen and the public policy maker have a mutual interest, just like the supplier and the customer.

The major distinction is that the citizen is normally unable to ‘exit’: Citizens cannot really opt for another government or another public policy like in the private market. The exit option therefore has a different shape. One option is that dissatisfied citizens move to another municipality or district. Especially when the citizen is in reality a major employer that employs many residents, these kinds of choices are relevant for public policy makers. On the individual scale citizens might also ‘exit’. Not by using their power as a customer, but by neglecting rules and regulations. After all, disobeying the public policy is one way of exiting. This kind of exit forces the public policy maker to invest even more in law enforcement, making the entire policy less efficient and probably less effective.

Compared to the exit option, the ‘voice’ alternative in the relationship between citizen and public policy maker is better conceivable. Citizens can raise their voices through either legal or political procedures. A dissatisfied citizen can file a complaint or lodge an appeal. He can also file a petition to his political leader. These are quite visible reactions to dissatisfaction.

So, if in this relationship the exit is impossible and voice is useless, loyalty is the only remaining alternative for the citizen. With the same results as in the rela-

tion between supplier and customer: Loyal but dissatisfied citizens can easily change their behaviour and raise their voices in a more dramatic method (revolt) or massively disobey rules and obstruct implementation of policy.

A ladder of participation

Participation can be seen as a method of giving the citizens an option to raise their voice. The model of exit, voice and loyalty shows the importance of this alternative. The next question is then how one could design a procedure that gives the citizens the opportunity to raise their voices while participating in the development and implementation of public policy.

There are two dominant approaches to the use of participation in decision-making: A top-down and a bottom-up approach. In top-down approaches, the political leaders or policy makers identify and prioritise the issues that have to be solved. In this phase, the addressees of the policy (the grassroots communities) are less relevant. The general assumption is that the leaders know what the grassroots need. It goes without saying that this top-down approach is opposed to a participatory approach in which identification and prioritisation of the relevant issues is done by the people themselves. The role of public policy makers and political leaders is more that of a facilitator. If one would measure the actual participation, these two opposing approaches can be used as the two extremes on a scale.

This scale or ladder shows the level of participation. Participation ranges from non-participation at the lowest rung to active participation near the top of the ladder (Arnstein 1969). The levels of participation include manipulation, therapy, information, consultation, placation, partnerships, delegated power and citizens' control. Table 6.1 illustrates the forms and levels of participation.

Table 6.1 Arnstein ladder of citizens' participation

↑	8	Citizens control	Degree of citizen power in decision-making increases and citizens participate directly in policy making and service provision.
	7	Delegated power	
	6	Partnership	
I	5	Placation	One way and two way communication with citizens, there is degree of tokenism and room for dialogue and citizens have right to be heard.
	4	Consultation	
	3	Information	
I	2	Therapy	Non participation, educate or cure participants by power holders.
	1	Manipulation	

Source: Burns 1994.

Manipulation is the lowest form of public participation. It is actually a form of non-participation. The public policy maker misleads the citizens, give them fake information and use the so-called participation as a formal procedure to have formally approval. In this form public and observer are manipulated to believe that participation is in progress. This takes place for example through citizens advisory committees where by officials influence citizens or setting citizens' advisory groups at the neighbourhood which let people be heard.

Sometimes the voice of the citizens is heard but structurally neglected. Participation is then powerless and is used as a therapy instead of an effective remedy. Citizens are engaged in an activity which aims at curing their pathology and not in changing the cause of pathology.

Next to the non-existing participation one can think of modes in which participation has a function, but is not decisive. In the ladder, there are three rungs. First of all, there is participation in the sense of providing information. Providing information is a fundamental form of underpinning public participation. It involves a two way process whereby the citizens and public officials exchange information. The logic behind this form is that citizens are more informed about the problems in their areas and if they are not informed, it can lead to low quality decisions.

Consultation is a form of participation which involves inviting the opinions of the citizens through surveys, neighbourhood meetings and public hearings. This form needs to be combined with others because consulting citizens does not mean that their opinions will be taken to account. And finally, placation gives the citizens some influence on the decision-making, since they are placed in community action agencies and public bodies, for example, education boards, police commissions and housing authorities. Information and consultation rungs are considered as levels of tokenism simply because people can hear and have little voice in the development programmes. Placation is, compared to these two forms of participation, the highest level of tokenism because it merely allows people to advise or give their opinion while the right to decide is retained to those with decision-making power.

In these three rungs, we see some participation but in all three situations it is still the public policy maker, the leader or the politician who makes the final decisions. This is different when comparing the three most extreme modes of participation. Partnership, for example, is a form of participation that involves redistribution of powers through negotiations between those that have the power (the policy maker, the politician) and citizens. The decision-making and responsibility is usually shared through joint decision-making boards such as planning committees and policy boards. Delegation and finally, citizens' control are just two rungs further up. In the highest form of participation, citizens demand and re-

ceive control on their neighbourhood or their particular part of society. Quite often, this results in forms of self-regulation, for example by associations of lawyers or other professionals.

Assessing the level of participation

With this ladder, it is possible to assess the procedures and institutional provisions that enable citizens to raise their voice and participate. Participation often results in a procedure, like a consultative meeting, or in institutional provisions, like committees or boards, etc. Participation, therefore, needs to be embedded in national policy and institutional environment has to receive political support and has to be built on technical capability (Helling *et al.* 2005; Mubyazi & Hutton 2003). Finally, the means of expression and powers to initiate activities and levels of empowerment are important (Acioly 2004; UNDP 1997).

And even with these institutional provisions, it is not certain whether actual participation will take place. If one would assess the actual level of participation, it is needed to take into account, for example, the actual number of people that attended a meeting and the question of whether or not these participants are a true reflection of the community. Establishing a committee is also important but in the end, participation deals with the question of whether or not this committee truly functions and makes decisions that count. The challenge of participation is therefore not only to build an institutional framework that enables citizens to participate in policy making, but also to make a framework that is actually used.

Health service delivery in Morogoro Municipality

Organisation of health care

The provision of health services in Tanzania is organised centrally and implemented locally by local government authorities. The government considers community participation as a fundamental component in health service delivery. For example, the Local Government Acts No. 7 and 8 of 1982 and Regional Administration Act of 1997 provide a legal basis for participation in decision-making (URT 1998). Community participation as prescribed by the National Health Policy of Tanzania was expected to be an effective means to adopt the service delivery to the needs of the local communities, by improving the health and well-being of all citizens with the focus on those most at risk. It would also make the health system more responsive to the needs of the people and would ensure that health services are available and accessible to all people; creating community awareness on health issues and improving capabilities at all levels of society to assess and analyse problems and design appropriate actions through genuine community involvement (URT 2003).

Case study in Morogoro Municipality

To assess the actual participation of local communities, a case study was conducted in Morogoro Municipality in 2007. A total of 65 respondents were involved in the study. The respondents included community leaders, health service board members, health facility service providers, patients and council health management team. They were asked questions about their knowledge of the opportunities to participate in the planning process and their actual role in the decision-making.

Knowledge of community members

In order for the community to participate in activities that promote health care, the members of the community need to be well informed about the procedure as such. When community leaders were asked to identify ways in which they were involved in health activities in the municipality, their responses indicated lack information about health development activities in the municipality, with very few being able to identify health development activities which involve community participation. Out of 40 respondents, 27 (67.6%) were unable to identify the health activities in which the community was expected to participate. Only 13 (32.5%) were able to identify the health activities.

Community decision-making powers

To assess the role of community participation in health delivery in the municipality, the respondents were asked questions about their roles in the entire process of policy making, from planning, to resource allocation and actual service provision. The main role that the community leaders identified, was participation in numerous meetings. During the planning process, community members could take part in forming working groups that could decide where to dump garbage and reveal problems facing the community.

The health service providers indicated that the community had representatives in the Health Facility Governing Committee. This body discusses issues in health facilities of the community. This organ consists of two members of the community. These representatives then have to inform their community.

Besides indicating the issues and priorities the community, members could also have participated in the allocation of resources. The main sources of financing the health service in the municipality were mainly the central government and own sources which included money obtained through council tax and other charges. The health service boards and committees worked on behalf of the community were able to decide on the allocation of resources.

The respondents indicated that the main role of the community members was to aim for cost sharing through user fees. Every patient who sought public health

services at a particular facility was required to pay a user fee. To ensure that the community was involved in managing the resources, the community had the role to choose one or two people to witness the opening of boxes with drugs whenever drugs were brought to the health facilities in their area. Health service providers indicated that the Health Facility Governing Committee worked closely with the government on ensuring facility properties were secured and people paid health service charges.

Despite this formal role, the respondents made clear that, in reality, the community members did not really use the opportunity to get involved. A vast majority of the respondents stated that the community was not involved in the process to determine levels of payments. In fact many respondents complained that the community members were just invited to listen to what had been decided.

Participation also plays a role on the actual service provision. The Health Management Team of the health facilities stressed the fact that there are a number of programmes in place to ensure the community directly participated in the provision of health services. The community took part in the process through training people in first aid. Health service providers showed on their part that the community's role in service provision was to ensure that children were brought to health facilities for immunisation and to assist them in providing the community with education about their health and life.

Responses from community leaders confirmed this view. The most important involvement of local communities with health care provision was adhering to national campaigns like child immunization.

The level of participation

To measure the level of power to make decisions, community leaders were asked to rate their power to make decisions in planning whether (i) their involvement ranged from limited to none (low level), (ii) involved in joint analysis of issues (medium level) and (iii) had voting powers and decisions were binding (high levels). On the one hand, results demonstrated that community decision-making in planning and resource allocation was in the medium level, whereby, out of 40 respondents, 37.5% indicated community participation in health planning was in low level; 50% in medium level and 12.5% in high level. On the other hand, community decision-making in service provision was ranked low by 17.5%, medium by 47.5% and highest levels by 12.5%. These results help to tell that there were signs of implied participation in the municipality.

Information sharing

In order to understand the extent to which the community was informed about participation in health development activities, the respondents were asked to identify the tools that were used to facilitate involvement of the community. The community leaders mentioned various tools which were commonly used in facilitating community participation in health development activities. First of all, there were meetings with the facility management. Secondly, there were seminars and workshops, used to inform the community on issues such as the immunisation of children. Other means were the mass media, including banners and posters. Finally, the leaders mentioned open discussions and letters. From the point of view of the health service provides, the most utilised tool to inform the community were the meetings.

Levels of communication

To measure the level of communication, community leaders were asked to state whether they were (i) involved in ad hoc discussions with the health service officials; (ii) merely kept informed; (iii) asked for opinions in questionnaires or a suggestion box; (iv) consulted on their opinions in workshops or meetings', and (v) involved in collaborative problem definition with the health officials. The results showed that community was only involved in ad hoc discussion or merely informed on what had been decided. For example, ad hoc discussions scored the highest with 17 (42.5%) out of 40 (100%) respondents, while in resource allocation and service provision the community was 'merely informed' scored the highest by 35% and 42.5% respectively.

Challenges

The case of the health care provision in Morogoro Municipality shows that there are many institutions to enhance participation. The case also shows that despite these institutional safeguards, actual participation is rather low. Low community participation and low level of awareness in health issues is a problem that was mentioned by a number of respondents. Some community members still did not understand why they should take part in health development activities. Partly because they still had the notion that it was the government's responsibility to promote health service delivery, while others did not see the importance of taking part in such activities at all. Some, community members thought that if they were to participate in health activities they would have to pay afterwards.

Moreover, the findings demonstrated that there were a lot of complaints from community leaders on the question of involvement in decision-making. The community had very limited opportunities to truly participate in the planning process, since many (or most) of the decisions came from above.

With regard to decision-making about utilisation of the money collected at the health facility level, all facility health providers at both health centres and dispensaries that were visited complained that they had no power or say over the use of the money collected to help the facility needs. What was happening at the facility level was that all the money collected was being sent to the municipal headquarters. Health facility service providers expressed that they understood that the funds collected had to be accounted for. But the problem was that when all the money was taken to the municipal headquarters, nothing was ever sent back to address facility problems. For example, the health service providers said that in case of power failure or power rationing, they were supposed to buy kerosene. This meant that even the health facility governing boards, had no power over the resources.

Lufumbu water project in Ludewa

Organisation of water supply

Access to clean and safe water in Sub-Saharan Africa has been a serious problem. It is estimated that only 16% can access household connection of water and only 56% have access to safe drinking water (Florio 1997). The governments had been striving to ensure the access to safe drinking water but due to budget constraints, the number of cases where water was supplied to all citizens were limited.

In 2005, the Tanzanian government conducted a survey in different wards and villages that had problems of water supply to assess the possibility of providing a water supply to them. Lufumbu village in Ludewa District in Iringa was one of them. After analysis of survey findings, the government selected some villages but due to limited funds and budget constraints, Lufumbu village was not selected in that programme.

Water supply in Lufumbu village

The government budget constraint led to the need of community initiatives to fill the gap. Lufumbu village has a population of 6,180 inhabitants who depend mainly on agriculture. The main crops they produce are maize, beans and other cereal crops. The village does not have a reliable market for these crops. Therefore, everyone in this village is poor and they live under the poverty line, identified as USD 1 per day.

The village decided to develop its own initiatives through raising their own funds to construct the water project. They started by relying on the simple principle of gravity and later were joined by water technicians. The cost of construction was USD 50,000. Villagers contributed 48%, the Roman Catholic Church contributed 10% and United Nations Development Programme contributed 42%.

Objectives of the project were to reduce head loading for women from ten kilometres to two hundred meters through construction of reservoir tanks and drawing points; to improve health of the people through reduction of waterborne diseases by increasing the water supply and to improve agriculture through irrigation and the establishment of coffee nurseries.

How the community participated

The initiative for this water supply emerged when the villagers sat down in a meeting. The villagers then decided to raise their own resources to establish a village water supply scheme. The scheme was designed to serve the whole community. It was implemented by the community itself through clear division of tasks.

Adult men were in charge of the collection of sand aggregates and stones, construction of intake and the reservoir tank as well as the excavation of the gravity main and distribution main. Adult women were responsible for the ferrying of and the loading of building materials and water while older persons and children participated by cooking food for workers.

The project took four month and two weeks for its completion and impacted people by getting them access to water through 56 drawing points. People were also able to collect water from the drawing points which were close to their residence – only two hundred meters. There was a reduction of waterborne diseases after the introduction of project. People were able to use clean water and the use of contaminated water was reduced.

The result

Agricultural products increased as a result of having a water supply, helping in the cultivation of vegetables and staple food crops in the village. Coffee farming also expanded as a result of the expansion of coffee nurseries which became effective after the availability of a water supply.

Moreover, housing conditions improved as a result of having enough water for making bricks – in fact, 372 houses were built after the availability of a water supply. The availability of water even attracted birds and animals to back to the village and improved the ecosystem and induced forestation and reforestation of the land. Plantations and maintenance of the trees in catchment areas increased and the workload on women was reduced from carrying water for two kilometres down to only 200 meters from their residence. The availability of food improved as water was available nearby to residences for domestic use. Health was improved as the availability of water helped in running dispensaries and reducing waterborne diseases. In addition, a low cost reservoir made by corrugated iron sheets and stones (which are 30% cheaper than cement) was built.

Questions

1. What are the means of participation; what powers do those who participate have?
2. What are the factors that enable and impede participation?
3. What was the level of participation, in terms of Arnstein's ladder of participation, in the case on the Health services in Morogoro?
4. What was the level of participation, in terms of Arnstein's ladder of participation, in the case of the Water project described above?
5. Could you identify the properties of participation in both cases? What were the powers of those who participated? What were factors that enabled or limited participation?

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7

Symbolic legislation

Josephat Stephen Itika

Introduction

More often than not, legislation, once enacted, does not quite do what the legislators expected it to do. Whenever regulatory arrangements or administrative laws appear not to have their intended effect, it is part of the scholarly task of public administration to carefully record the working of the law and to explain why the effects of this regulation fell short of expectations, if that is the case.

The Tanzanian legislature over the past ten years has gone to great lengths to create a regulatory basis for cooperation and partnership in the health sector. The reason is that private, non-profit organisations contribute greatly to the overall health care effort in Tanzania. From the point of view of the legislature, these contributions should be more integrated with the efforts of local government authorities at administering health services delivery. Yet, there are many indications that the regulatory framework, thus created is not complied with. It does not take a leap of imagination to realise that non-compliance renders legislation practically ineffective.

For the clarification of such a state of affairs, social sciences possess a number of conceptual tools. One of these concepts is ‘symbolic legislation’.

The concept of symbolic legislation

Symbolic legislation, as a concept in the social sciences, was coined by the Norwegian sociologist Vilhelm Aubert. Back in the 1950s, he conducted research into the actual working of the Norwegian ‘Law on domestic personnel’. This piece of legislation was enacted in 1949 with the intention to improve the legal position of housemaids in Norwegian households. The law for instance regulated a minimum wage and the weekly numbers of hours of labour. Aubert did in-

depth studies which revealed that the law was rarely complied with. The law had not done anything to improve the legal position of domestic personnel. One explanation Aubert gave for this state of affairs was that there were no authorities or agencies to enforce the law. The only way the law could work was, if a maid would invoke its rules against her employer. This hardly ever occurred: going to court to litigate against the employer almost certainly meant that the maid would lose her job. Even if the court would reinstate her in her job, working conditions would have become unbearable. Beyond that, a maid who had a conflict with her employer could, without too much trouble, find another job. And finally, the law was complicated and its language was technical, so most domestic personnel were not even aware of the improvement of their legal position that the law had provided them with.

However, there is more. These factors were known to the legislature even when the law was enacted. The legislation was the product of a compromise between two political parties, one of which needed strong labour laws for its constituency, while the other did not want to put any legal burden on the households and the employers of domestic personnel. The compromise was a law without teeth. The law being toothless was important for the latter party. The former party needed the law because of its symbolic value. It could show its constituency it had done something to protect their interests.

Since the work of Aubert (1952, 1952), there have been numerous studies documenting symbolic legislation of one kind or another. Up to this day it is an important contribution to our understanding of how regulation works in society.

In short, ineffectiveness of regulation can often be contributed to:

- lack of programs to implement the law;
- lack of program to promote the law and to make sure that all affected are aware of its meaning and intention;
- lack of a clear enforcement program;
- mismatch between the regulation and the reality it is supposed to regulate;

In the background there could be the overall explanatory factor that the legislature did not intend the law to be effective in the first place. The regulation then is merely symbolic.

The case study at hand is concerned with the workings of the laws regulating partnership in health care in Tanzania. It is presented in two parts: The first section deals with the regulation itself and its history. The next section contains a description of an example of the kind of partnership the laws are supposed to regulate.

The regulation of health service delivery in Tanzania

Partnerships in service delivery in Tanzania

Prior to independence, Tanzania's health system was concentrated in urban areas and services were essentially curative in nature (URT 2001). In 1967, the Arusha Declaration stated that the government would finance and provide free medical care to all of its citizens (with an exception of grade one and two) and it was made part of community rights and one of the fundamental indicators of social developments (Abdallah 2002). As part of that declaration, an expansion strategy for facilities, especially in the rural areas, was adopted. Results of the strategy were impressive. By 1978, a clinic was located within 10 kilometres for 90% of the population (Benson 2001). In line with its free-health-for-all policy, private for-profit health services were forbidden. The private sector for profit was particularly hit hard by the enactment of Private Hospitals Regulations Act of 1977, which banned health services for profit in the country.

Private, non profit health facilities, operated by Non-Governmental Organisations however, continued to provide a large share (currently about one-third) of the health services in the country – with subsidies from the government. Despite inadequate revenues, the government adhered to these policies throughout the 1970s and 1980s. Underfunding led to shortages in supplies of drugs, deterioration of facilities, low staff morale, and poor quality of care (MoH 1998). The importance of the private sector in health service delivery and the move towards market-based economic reforms resulted in the establishment of Private Hospitals Regulation Amendment Act of 1991. It also facilitated the re-establishment of private medical and dental services with the approval of the Ministry of Health in 1991 (Wyss *et al.* 2000; URT 2002). In July 1993, under pressure from the World Bank and the International Monetary Fund, the government started a phased implementation of user fees for certain health services in its referral, regional, and district hospitals. To ensure that the poor and those who needed care the most would not be barred from accessing care because of an inability to pay, the Ministry of Health developed waiver and exemption guidelines (Mubyazi *et al.* 2000).

The demand for better services and the need to improve the population's health status, particularly the rural poor, led to the development of Health Sector Reform (HSR) proposals in 1994 and in 1996 with the government ultimately approving the health sector reform strategy (URT 1999). Later, the Health Sector Reform Plan of Action for 1996-1999 was also endorsed. This action plan included six strategies: Decentralisation, improvement of central health systems, health management, financing, human resources, and partnership. In 1999, the HSR Programme of Work 1999-2002 and Action Plan were developed (MoH 2000; URT 2003).

In order to put more power at the local level, Local Government Reform (URT 1998) was passed earlier as a policy instrument to facilitate decision-making and accountability in municipalities and district councils on public health related matters as well as other matters. These policy documents have made the government's intent clear to work closely with the private sector for profit and NGOs. Therefore, the health sector reforms are closely linked with Local Government Reforms, which aimed to decentralise personnel, planning, and financing decisions of service delivery to the districts. As of January 2000, 35 districts had been decentralised. Forty-five more districts were to be decentralised by January 2001 and the remaining ones by January 2002 (URT 2001; URT 2003). Districts are responsible for staffing decisions and for setting service priorities in the health sector. District health plans are funded through block grants, in addition to donor funding provided through the basket financing mechanism. A significant emphasis has been placed on human resource development to ensure adequate planning and budgeting of services. This is a part of capacity building initiatives, stirred by ongoing reforms. Implementation of health plans is monitored and additional funding is withheld if standards of achievement are not accomplished. The Ministry of Health retains control of policy, regulatory, and strategic functions and also continues to provide certain essential services including immunisations, family planning, and the treatment of chronic illnesses, tuberculosis, and leprosy.

In the year 2000, the Ministry of Health (MoH) developed key performance indicators and outputs for assessing public-private-partnerships in health service delivery in the country. The indicators are the degree of collaboration among partners in terms of numbers; contribution of private and public sector to partnerships and client satisfaction rate. The performance of partnerships was expected to be through the following implementation strategies and periods (MoH 2000: 36):

- Policy and legal review to be completed by 2001
- Mechanisms for promoting public-private partnerships (PPPs) discipline, in place by 2002
- Guidelines to enable private providers to qualify for government support, in place and operational by 2002.
- Mechanisms for joint inspection of health facilities, to be in place by 2002.

Unfortunately the frameworks and guidelines had never been put in place. The Public Procurement Act (2001) was used to guide outsourcing of public services to the private sector, but it was not meant for partnerships involving clinical service delivery like diseases diagnosis and treatment as such. As part of strengthen-

ing the 2001 Act, the government passed a revised act, the Procurement Act in 2004. However, there are still cries for specific government regulations and an organ for managing partnerships in the country. In July 2005, the government inaugurated health boards which were delayed since 2001 (MoH/PORALG 2001) with the objective, amongst others, to promote partnerships in health care at the local level of authority. However, it appears that not that much will be expected because of many factors including a lack of sufficient public and private awareness, and low implementation capacity at a local level. The following section covers a case study on partnerships for public health care.

The regulatory framework for partnerships in Dodoma Municipality

Firstly, Dodoma Municipality used the strategic plan for 2004 – 2008 as the main guidance for the operationalisation of partnerships in health service delivery in a style that reflects response to the Ministry of health and the ministry for local government reform agendas for partnerships. However, this strategic document does not have any section on how to strengthen partnerships within the private sector. Indeed, even the term *partnership* is only mentioned once under *promotion of networking and partnerships* (p. 19). NGOs are scantily mentioned as *supporters* of Dodoma Municipality initiatives and not real partners. Therefore, at the practical level, the areas, style and formality of collaboration with the private health service providers have to depend on personal motivation and interest of individual officers some of whom may not necessarily have even seen the municipal strategic plan document.

Secondly, Dodoma Municipality uses Comprehensive Health Plan document 2008 to highlight the relationship between the municipality and the private sector. However, the document dumps NGOs and Private for Profit service providers under the blanket of *community involvement*. Health service provision is just mentioned as item 5.8 on areas of interest for partnerships. It reads:

> '(…) construction and running of dispensaries, health centres and hospitals.' (p. 12).

Administratively, partnerships are to be managed under the guidelines of the Dodoma Municipality Health Board and Committees. These organs were established through guidelines issued by the Ministry of Health in 2001. However, it was only in July 2005 when the ministry of health formally inaugurated all health boards and committees in the country. It means that partnerships have been operating without any formally institutionalised organ for supervision. Although the now established structures for managing health services delivery should improve the existing collaborations and facilitate the evolvement of others, it does not appear that much should be expected due to a number of weaknesses in the boards and the committee setup.

These weaknesses are partly the reason why such boards and committees are set for general management of health care services rather than partnerships per se. As a result, the impact on partnerships is likely to be limited because of the following reasons.

Members of the Dodoma municipal Health Board are elected: One from private for profit and one from NGOs against five from the Dodoma Municipality. The implications are:

(i) When it comes to voting on a key issue affecting the private sector, the private sector representative will never win a case.

(ii) Since the board is accountable to the full council, sensitive issues, which will result into criticisms of lower officials will never reach higher authorities. Even the private sector representative is not motivated to do that for fear of upsetting the 'boss' and hence endangering the relationships. This has strong negative implications on accountability.

Item 2.4.5 of the (regulatory) document describes the private sector representative as 'an important link with Dodoma Municipal Council' (p. 6). However, the section lacks the forceful language of 'partner' which waters down the strengths of the relationships.

The document puts an emphasis on participation in planning for health services for the local authority in general (p. 6) and nothing on serious commitment to serious collaboration. Indeed, the terms *'cooperation'* and *'participation'* are used instead of *'partnership'*.

For the Hospital Management Committee, the same skewed representation of the private sector is noticed. More importantly, the private sector representative has to be recommended by the Health Management Team whose members are heads of departments of health sections in the Dodoma Municipal Council (p. 18). This section may deny a strong and critical private sector representative to be recommended due to fear of being challenged.

At the operational level, there is no establishment of a forum for the private health service providers to launch a common strategy for partnership or even get feedback from their representatives on what was going on in the collaboration. Even where the representatives participated in Dodoma Municipal Council meetings, there was no formal feedback to the members. Therefore, the supposed link between the private and the municipality was very weak and took the informal route depending on individual initiatives and relationships.

Thirdly, the Local Government (Urban Authorities Act) 1982 gives local authorities powers to work with the private sector. Section 54(2) (a) states that

> 'the local authority shall provide their services in an efficient and cost effective manner and '*foster cooperation'* with civic groups and other persons or authorities (…) improve health.' (Section 54 (5), sub c)

This provision could form the basis for setting operational guidelines for partnerships, something that has not happened.

Other legal frameworks that set the interactions with the private health service providers are provided by the Private Hospital (Regulations) Act (2002), but yet are silent in setting partnership between the public and private sector in public health delivery. There are only 2 sections which establish the link between the government and private sector as cited herewith; Part II c 7 (1) reads as follows:

> 'there is hereby established the board to be known as the Private Hospitals Board (…) be responsible to the minister for the registration, control and regulation of the business of private hospitals and of persons and organisations running private hospitals.'

Under normal circumstances, this law should have been the basis for the director to demand performance reports in general and those related to areas of collaboration from the private health providers as directed through Management Information System, famously known as the 'MTUHA' guidelines. However, only few officers were aware of the law and in practice, supervisions of private health providers are only made occasionally.

The Hombolo Hospital – Dodoma Municipal Council partnership

Background

Hombolo Hospital is located at the Hombolo Makulu ward, Hombolo division which is classified as a rural area. Hombolo Hospital has a long history which dates back to the 1930s. It was started by the colonial government as a specialised hospital for the treatment of leprosy in an area around Kilimatinde. In 1962, just a year after independence, it was shifted to Hombolo due to shortage of water but now it is under the ownership of the Anglican Church, Diocese of Central Tanganyika (DCT). It was not possible to get information on how it changed ownership or whether it was under the same missionaries even under the colonial government. It was officially opened by the government in 1963. It changed its name and became known as Hombolo Leprosarium Centre. 'Hombolo' meant 'Maji ya Uzima' (Water for Life). It was funded through partnership with German faith based organisations which contributed to 98% of the budget. The remaining 2% came from the government of Tanzania. Treatment of leprosy was seen as a temporary function because it was the government's plan to reduce leprosy to minimal levels by the year 2000 and then to eliminate it. This target was also used by donors to gradually reduce the funding of the hospital. In 1998, funding from Germany ceased while there were still about forty leprosy cases under treatment. This shortage of funds forced the hospital management in that same year to shift its focus from specialising in leprosy alone to general practice. It was registered as a hospital with a 51 bed capacity and it changed its name to Hombolo Hospital. This new name was neither known to the municipal officials

nor to the patients. They use 'Hombolo Health Centre' and 'Hombolo Leprosarium Centre', interchangeably. This is a confusion which is still going on.

In 2000, the financial crisis forced the management to stop attending leprosy cases, although it was a difficult decision to tell patients 'to go away'. Some patients had no homes to go to while others were not ready to face the stigma associated with leprosy at their homes. As a result, some patients decided to build their own homes around the hospital. They continued to receive free health services as neighbours in need.

Photo 1 Some leprosy patients waiting for free health services

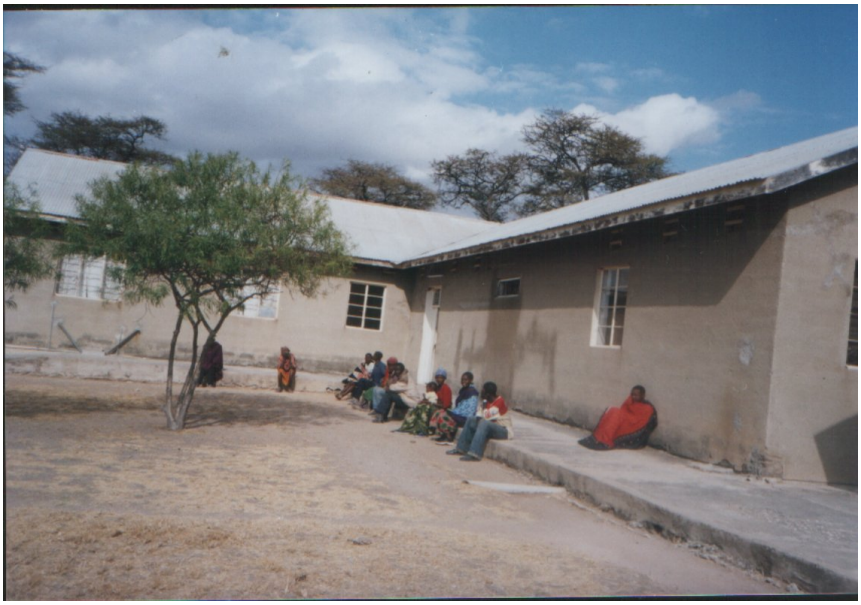

Photo by Josephat Itika, with the consent of the group participants.

The nature and motives of partnership

There are two versions on the story about how PPP started. On the part of Hombolo, it was said that, from 2000 to 2004 the hospital faced critical financial constraints which led to inability to pay for electricity bills, repair vehicles, buy medicines and pay salaries. During the same period, the DCT requested support from the municipality but it was only in 2003 after the appeal to the minister of health that the municipality started to collaborate with Hombolo. The partnership came into operation in 2004 and evolved out of Hombolo's desperation for survival. There were no formal discussions that involved all the partners on the terms and conditions of collaboration. It was in the form of 'requesting for something from the municipality and you get feedback or you don't, depending on the will and commitment of the one or few municipal officials'. As a result, there

were strong feelings of mistrust, dissatisfactions and frustrations in the process of collaboration because of lack of transparency in the whole collaboration process.

Few statements made by the head of the hospital give light in this regard. This will become clearer when we shall look at the way contributions to the partnership were made. Even the institutional status of the health centre was not clear. For example, although Hombolo was registered as a hospital in 1998, it was at times referred as a health centre and also used as a designated district hospital because it received government grants through basket funding. According to one official from the municipality, it did not qualify as a designated district hospital because it had no qualified staff, although in terms of resource allocation it was treated as a DDH.

Contributions to the partnership and its effects

Since the type of partnership was not developed jointly by following some specific principles, even stakeholder contributions to the partnership lacked transparency and mutual consideration of each other's strengths and limitations. For example, it was alleged that in 2003, the municipality promised to pay Tsh 3 million for supporting the running of the hospital but that figure remained in the books of accounts of the Dodoma Municipal Council. There was no way to acquire that information, because it was upon the discretion of the government to make it available or not.

In the 2004/2005 financial year, the municipality supplied various items. It supplied Hombolo Hospital with 22 mattresses, blankets, 200 bed covers (*shuka*), 200 mosquito nets, 2 wheel chairs, 1 stretcher, and 80 buckets, The records from the municipality show that Hombolo was allocated an excess of Tsh 15 million for the 2004/2005 fiscal year. However, no records for the value of the items delivered could be accessed and this figure was not revealed to the Hombolo management. The disappointing part of the contribution is that it took the form of supplies that the hospital had not really asked for. No consideration was given to the real needs of the centre and, as a result, the contributions were little appreciated by the Hombolo management. The following statement from the management reflects such dissatisfaction:

> '(…) we do not understand why they brought all these goods for (…) we have never told them we need such items and of that quantity (…) we need money to repair water tanks and buy a new water pump.'

Referring to accountability for the goods received, he said:

> 'I am not interested in accounting for goods that I did not request.'

There were complaints that they had no representative in the municipal health management through whom they could let their voice be heard. This complaint was perhaps a more a reflection of the futility of representation rather than the

lack of it: All faith based health service providers had elected a representative to the municipal health board. Although it was noted that in principle, Hombolo had to participate in the planning process of the municipality (as a district designated hospital, a DDH), the style of the involvement in the council budget process was questionable as the manager said:

> 'One day we received a letter asking us to prepare our budget and present it to the municipality on the same day (…) this was impossible. We had to forget about it.'

When asked for comments, one official from the municipality acknowledged that it was possible that they did not receive budgets from Hombolo. However, the blame was passed back:

> 'they are a problem (…) they do not like to cooperate (…) sometimes we have to do for them because we do not have an option.'

Collaboration in staffing matters was also an area of criticism as one officer said:

> 'in 1998 they brought one nurse here to provide MCH services. She left just after a year. Since then we have been asking for replacement but all in vain.'

The problem of insufficient health staff is a common problem not only in Hombolo but also in government owned dispensaries, health centres in the municipality and the country at large.

Lack of effective communication and respect of the Hombolo management as a partner was also a concern. It was felt that the way communication was made between the municipality and Hombolo was un-procedural and reflected disrespect as one comment was made that

> 'In the morning, a nurse would come with a letter and tell me she is invited by the municipality to attend a seminar on the same day. I wonder why the municipality does not communicate to me so that I can plan my work schedules early enough. As a result, patients miss services without good reasons. We told them that since most patients who suffer from leprosy prefer treatment in this centre, the government could give us the medicines to treat them (…) there were exchange of words. They said they could get treatment at Hombolo Bwawani health centre. But when they go there, they do not get services. They come back. According to our ethics, you cannot leave a patient to die because you cannot pay for the services.'

It was not possible to establish the validity of this complaint. In fact, there is room for other explanations of the same facts. For example, if there were feelings that the head of the hospital was likely to be uncooperative, bypassing communication could be intentional and perhaps initiated by the staff themselves.

Hombolo provides MCH staff for delivering services at Hombolo and Zepise village through an outreach programme. Since staff involvement was not initially planned and agreed upon, it is perceived as a burden to the hospital as a comment was made that

> 'They take my nurses for MCH services including outreach programmes at Zepise village (about 5km). Although they pay them Tsh 3,000 as outreach service allowance (…) what about my work which remains undone?'

Here, the Hombolo management seems to be caught in between serving two different interests. While they strive to deliver 'commercial' services at the same time they want to meet the spiritual obligation of saving humanity. Although church based health services are not meant for profit, at the end of the day operating costs have to be covered. In this situation, the shortage of staff means no services and no income. On the other side of the coin, providing MCH services also means opening up opportunities for patients who will be ready to pay for other services including laboratory tests. Therefore it is the question of 'take and give' rather than about making loss. Indeed, some of these complaints may be due to existing personalised tensions between the two stakeholders rather than the substance of the allegations because, according to the Dodoma Municipality budget, 50% of staff salaries of Hombolo hospital were paid through basket funding.

Such tensions continued to affect the way collaborations were interpreted by both parties. In fact, every action taken by the Dodoma Municipal Council was perceived to be against the best interests and the progress of the hospital. A series of allegations, recorded by the researcher, illustrate these ill feelings:

> 'We wanted to run training programmes for disability prevention because we are experts, but they do not allow us. They want to bring their staff to work with us here and get paid allowances and leave us empty handed. Every time our nurses go to get vaccines from Mlowa Bwawani Health centre because we do not have a refrigerator here. This causes a lot of inconvenience. We have asked for it since 2001 but to date nothing. Nowadays, I am seen as a trouble maker (…) when the municipal officials see my face they say: "There comes a nuisance". Sometimes they do not come to collect health reports. I send someone and pay the transport costs and lunch.'

On one of the days, the researcher was conducting this study, MCH services were neither delivered at Hombolo nor Zepise. Mothers with children on their backs waited for hours only to be told that there were no vaccines, because the Mlowa Bwawani Health Centre did not receive the share for Hombolo.

The same negativity and mistrust are expressed by one Dodoma Municipality official as he said:

> 'Have you been at Hombolo? Did you see how the place is dilapidated? Why do they neglect their own buildings? They are not serious. If they cannot take care of their own property how do you think they can take care of our refrigerator? We pay them 50% for salaries but we do not know if they pay the other 50%.'

If the problems of informality, lack of transparency, and mistrust could be solved, partnership between the municipality and Hombolo would be a commendable endeavour in improving quality health care in the area. The tensions are counterproductive despite the resources committed because of a lack of strong appreciation of the role of each partner.

Questions

1. What is the difference between partnership, collaboration and participation?
2. What elements of the cooperation between the municipality and Hombolo were affected by what parts of the regulation of public-private-partnerships in health care?
3. What factors can you identify that made the regulation ineffective in the Hombolo case?
4. How do you think the regulation of the partnerships could be improved?

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PART II

INSTITUTIONAL ARRANGEMENTS IN PUBLIC ADMINISTRATION

8

Dynamics of stakeholders perspective

Josephat Stephen Itika

Introduction

Organisations can be thought of as having a principal, a boss, or owner for whom they exist and account for. This holds for business organisations, as well as for public agencies or private, not-for-profit, Non-Governmental Organisations (NGOs). Public agencies may have a council or a minister as their ultimate principal. In a simple model of organisational behaviour, the organisation will aim at satisfying the interests and demands of the principal, be it the stakeholder or the political superior. As far back as the 1960s, scholars began to challenge this notion. They argued that for the average organisation there are more interests at stake than just those of the principal. For an organisation to be successful, prospering and sustainable; managers need to know how to deal with a variety of individuals and groups that have a stake in what the organisation does. The stakeholders of a business organisation may include customers, suppliers, employees, financiers (stakeholders, bondholders, banks, etc.), communities and government agencies.

Therefore, since its early introduction, the concept of 'stakeholder' has drawn the attention of a great many scholars. It has been developed in different ways. One approach is *explanatory*: That is, the concept may help us gain a better understanding of how organisations actually operate. Another approach is essentially *normative* and part of business ethics: Its premise is that organisations *should* take into account the interests of all those who are affected by the organisation's actions. This chapter uses stakeholder theory to explore the dynamics of

involving different stakeholders in the process of establishing a community health care project.

The concept of stakeholders

Freeman (1983) laid the groundwork for today's debates regarding stakeholder theory (Scholl 2001; Philips 2004; Murdock 2004). These debates have culminated in two definitions of the concept, one fairly narrow and another with a wider meaning. In the narrower sense, a stakeholder is considered as 'any group or individual who can affect or is affected by the achievement of the organisation's mission' (Freeman 1983). Later in 1984, the word 'mission' was replaced by 'objectives' (Freeman 1984). Later scholars pointed out that different stakeholders have different stakes in an organisation, since the way they influence the organisation or are affected by the organisation will differ. This has led to the distinction between key stakeholders and non-key stakeholders, depending on the magnitude of risk the association with the organisation has for an individual or group (Reed 1999; Clarkson 1994; Cohen 1995; Scholl 2001). A wider definition takes the term stakeholder to embrace 'all those who have legal, moral, or presumed claims or who have the capacity to affect an organisation's behaviour, direction, processes or outcomes' (Mitchell *et al*. 1997).

The latter definition is adopted in this chapter because it takes care of all possible scenarios of stakeholder relationships, particularly where collaborations are still taking shape as is the case in Tanzania.

As noted above, stakeholder theory is primarily a private sector firm theory. It challenges the neo-classical economic theory of the firm and maintains that, the firms that are managed for the good of stakeholder satisfaction thrive better than those firms that only pursue purely profit motives (Scholl 2001). Stakeholder theory asks three critical questions: 'Who are the stakeholders, what do they want, and how are they going to try to get it?' (Freeman 1999). Despite the fact that stakeholder theory is primarily for the private sector firms, the insights from this area can be applied in part to public sector settings. Public agencies operate in environments that typically contain a wide variety of interests. By posing those same three questions about public agencies, more insight can be gained in their relative successes and failures.

Under stakeholder theory, the private sector, the government and the community can all gain from partnerships if there is trust and cooperative endeavours rather than opportunistic and selfish behaviour (Jones 1995). In this case, as is well argued by Reed (1999), citizens typically are key stakeholders who have a genuine stake in municipal service delivery, and – in the present case, in accessible, affordable, reliable and quality health services. Stakeholder theory provides a possible scenario of a win-win situation for all stakeholders. The government

may gain through enhanced capacity to deliver health services to citizens while NGOs will also improve capacity to deliver and achieve value for money and humanitarian goals (Fiszbein, in Collins 2000). The community and individuals will have better types of access to quality and reliable health care services (Fukunyama 1995; Fiszbein & Lowden 1999). The central government and Ministry of Health are expected to provide policy and other regulatory frameworks and hence have indirect links with the private sector. The local authority ideally is an implementer and monitor of partnerships.

Although these positivist outlooks applaud the power of collaborations in enhancing public service delivery (Birmingham 2000; Austin 2000), there are also frequent doubts from anti-globalisation movements and from the moral version of stakeholder theory (Gray & Hay 1986). These two schools of thought provide a critique of the utility of collaborations, particularly where the government or the private sector are weak in terms of motivation and resources required for forging effective responsibility and accountability mechanisms (Humes 1999; Reich 2000; Hartwich *et al*. 2003). Such limitations are likely to make the most powerful stakeholders gain at the expense of the general public (poor, less informed, less influential) but also there is a theoretical opportunity for every stakeholder to perform better under partnerships than working alone. The dynamics involved in bringing stakeholders together, opportunities, challenges and lessons unfold in the Ntyuka dispensary project as will be described in the following section.

The case of the Ntyuka Dispensary project

Introduction

One of the services local governments in Tanzania should provide is health care. The Local Government Services Act, No 10 empowers local authorities to work with different stakeholders to complement government initiatives on the issue of better health for the people. More specifically, the Health Sector Reform Plan of Action for 1996-1999 set six strategies for the improvement of health services delivery: Decentralisation, improvement of central health systems, health management, financing, human resources, and *stakeholder collaborations*. As part of the implementation of health policy, local authorities may harness support from different stakeholders to improve health service provision particularly for the poor (URT 2000). Ntyuka project fits this conceptual framework.

Ntyuka dispensary project

The Ntyuka dispensary is located in Ntyuka village which is about seven kilometres from Dodoma town, along the Mvumi road. Administratively, it is one of forty villages of the municipality. Creating this dispensary was initiated by the

community so that villagers would not have to walk the seven kilometres to the town centre to obtain health services. The construction project was started in 1993. The foundation stone was laid by the then Prime Minister and Member of Parliament Honourable John Samwel Malechela. As part of the inaugural ceremony he contributed 20 bags of cement and 30 corrugated metal sheets. Although preliminary construction work started, no more was done. After these first promising activities, the project came to a halt, a standstill that lasted twelve years. It was only in 2004, that new initiatives were taken that finally resulted in the realisation of the dispensary at least in terms of presence of physical structure.

What went wrong for all those years cannot be told with precision. Different participants give various accounts of what happened. The following section provides a brief reconstruction of the way different stakeholders in the project (the community, NGOs and the municipality) contributed and attempted to collaborate. It took four different partnership arrangements for the Ntyuka dispensary to be built. Each of these collaborations are described below.

Ntyuka village – Dodoma Municipal Council partnership

The first phase of the project showed collaboration between the people of Ntyuka, represented by its village government and the Dodoma Municipal Council. It was not possible to gain an unbiased account of who took the initiative for the reactivation of the dispensary project.[1] According to the village government officials and the councillor, it was they who initiated the idea and mobilised the community to contribute labour and cash and later asked for support from the municipality. The municipal officials claim, however, that it was a planned intervention aimed at combining efforts of the community and the municipality to improve health services. However, all agree that personal efforts of one of the municipal health officers made the collaboration possible. More likely, the collaboration started through informal networks and relationships and developed into a more formalised system in which the municipality actively participated. The community contributed labour, cash and materials while the municipality provided technical support, transport and cash as shown in Table 8.1. The community provided labour for collection of sand, stones, and (construction work) in the initial phase of the dispensary building. The village land was also the source of sand and stones. Cash was used to buy cement, water and timber. The municipal technician was responsible for the drawings, site planning and setting the building structures. One lorry from the municipal council was used to ferry materials to the construction site. The cash was used to buy materials and pay some

1. No documented evidence could be found. Most of those who were in office by then were no longer available for various reasons such as death and transfer.

skilled workers. This initial partnership helped to build four rooms and a veranda up till roofing stage.

Table 8.1 Contributions to the construction of the Ntyuka dispensary

Partner	Contributions	
Community	1	Labour
	2	Stones
	3	Cash (Tsh 500 per adult)
	4	Land
Village government	1	Sensitisation
	2	Coordination
	3	Supervision
Dodoma Municipal Council	1	Technician
	2	Transport
	3	Cash (Tsh 2.4 million)

Source: Meeting with village government officials

Although both Dodoma Municipal Council and the community were now participating in the dispensary project actively, the collaboration turned out to not be strong enough to overcome a number of major difficulties. First of all, it was totally unclear what was done with the collected resources such as money and building materials. There was gross irresponsibility both on the side of the community leadership and with the municipality. This led to disappointment and disillusionment among the people, and this had a very negative impact on the willingness of the villagers to continue contributing towards the completion of the project. As one community member commented in a meeting held at the project site:

> 'The problem in our village is poor community sensitisation and mobilisation. We were ready but the leadership was a big problem. It is only when we got a new village government (…) now you can see we are here for work.'

Another member added

> '(…) people contributed money but no one can tell how it was spent (…) we are very disappointed.'

The problem of poor leadership was also observed as the village chairman noted that

> 'This construction work was supposed to be supervised by the village social development committee but no one is around here (…) it is a problem (…) some might be drinking local brew while we are here (…) you try to bring leaders and people together but it does not work as expected (…) we do not have many people here who can be good leaders.'

There were also feelings among the village government officials that the municipality was not supportive enough and nothing could be done about it, as one leader described:

> 'We have been asking for support from the municipality for a long time but it is very frustrating. It has reached time when they see you as a trouble maker and as only demanding what you do not deserve (…) even their contribution was in piecemeal (…) sometimes you get Tsh 400,000 (…) you wait again for a long time. It is only one official who helps us to push things in an informal manner and we are grateful for that.'

The second major issue that was poorly dealt with was the location of the health facility. The dispensary was to be built on what officials called 'village land'. This concept was misleading: There was no such land because each piece of land belonged to a particular family. Indeed, on the dispensary building site there was no formal demarcation between public and private family and personal land. Due to improper planning at the very initial stages of the project, the issue of location and landownership was not taken seriously, partly because of misinterpretation of the principle legal framework which dictates that all land belongs to the state and general lack of culture of compensation for family land when taken by the state. The land owner resisted the release of the area for the project with bitterness, demanding compensation but it was in vain. Later, due to fear of community anger and pressure from the higher government authorities, he gave in with despair. When the village chairman was consulted on the land issue he commented that

> 'He is complaining about his plot but he will also benefit from the health services (…) we are going to continue with construction (…) If you talk of compensation, it means I have to pay from my own pocket or go to jail (…) The municipal council has no such plans on compensation.'

The Village Land Act (1999) recognises the power of village government in planning and allocating land for public utilities. However, the taking of individual plots without any compensation including reallocation amounts to arbitrariness and abuse of power. Furthermore, the land use situation in Dodoma Municipality is complicated because in Dodoma Municipality all land and its development is controlled by the Capital Development Authority (CDA). The CDA is a separate government authority established by the Capital Development Authority Act (1973) for the purpose of developing the area into the modern capital city of Tanzania. Therefore, the Dodoma municipal government most likely did not even have the authority to use the land for the project without approval from CDA.

A third critical problem is the issue of water; a dispensary cannot operate without water. Dodoma Municipality has plenty of water, but the distribution tank nearest to the village is just about 4 kilometres away. People walked up to seven kilometres to buy water from the Dodoma township. Those who could afford the bus fare used the local commuter buses. Twenty litres of water were sold

at Tsh 20. According to the village executive officer, consultation with Dodoma Urban Water and Sewerage Authority (DUWASA) had made it clear that the cost of construction of a water supply system for the village would amount to Tsh 40 million which was a nightmare to raise. However, if health and water projects had been integrated from the planning stage, local support would have been much better. Referring to community readiness to participate in their projects, one old man said:

> 'We are ready to dig trenches for laying pipes (…) our wives have to walk at night all the way to town and sometimes deliver at home or on the way (…) we can even contribute 10,000 each for the water project (…) Let them tell us and they shall see our commitment.'

The efforts of the Dodoma Municipal Council and the community were not enough to complete the dispensary project. One health officer from the municipality suggested to the village leadership to seek support from two NGOs. As a result, two new partners arrived on the scene. The next sections will discuss their involvement.

Collaboration between Ntyuka village community and CMSR

Characterisation of the partner

CMSR (Centro Mondialita Svillupo Reciprocco) is a local, not-for-profit NGO, affiliated to the parent CMSR International with headquarters in Livorno, Italy. It was registered in Tanzania in 1977 but started to operate as a local institution in 1979. The objective of CMSR in Tanzania is to promote health, education, water supply and social development of the people particularly the poor and at risk. It works through partnerships with international NGOs and the donor community, including the World Health Organisation (WHO), CARE International and the Italian government.

Motives for collaborations

Community collaboration with CMSR started in April 2005. The village executive officer and the local councillor were proud that the partnership was the result of their own efforts on one hand, and guidance from one of the municipal health officers on the other.

> 'We noted that our building was rotting, the roofing sheets donated by honourable John Samuel Malechela (the one who laid the foundation stone) were also rotting. Money from the municipality was not enough. Our people were contributing money and labour to construct a shallow dam for harvesting rain water (…) there is hunger (…) we decided to look for other sources of support.'

It started through informal discussions with one of the municipal health officers (classified as a friend) who advised them to visit CMSR for some ideas. The officer knew that CMSR did support community initiatives. CMSR officials were

met. After several consultations, site visits by CMSR and proposal writing, their request finally was honoured. The types of contributions made by CMSR and the community at this stage of the project are shown in Table 8.2.

There was a strong commitment from both parties to ensure that all the finishing work was completed so that the dispensary could be opened as soon as possible. Therefore, although the village asked for 2 million, CMSR made available 7.5 million – almost four times the amount requested. Site visits by CMSR engineers had made it clear that such an amount was required to finish the project. CMSR decided to work directly without using formal municipal bureaucracy because it feared that more formal engagement of the municipal bureaucracy would have continued to delay the work. According to the CMSR official, the municipal leadership would be officially informed when submitting a quarterly project development report. However, the village government officials said that the municipal management was aware of the collaboration (through the health officer), but nothing more, since there was no formal communication from the village government. The CMSR was very concerned about the problem of water but no decision was made on how it could be solved. The contribution from CMSR was still not enough because there were also plans to build a toilet and a few houses for key health staff. Therefore, further search for partners was conducted.

Table 8.2 Contributions to the dispensary project

Partner		Contributions
CMSR	1	Funding (Tsch 7,500,000)
	2	Technical advise
	3	Supervision
	4	Identified and paid contractors to supply water for construction work
	5	Identified and paid contractors for civil work
Community	1	Unskilled labour
	2	Land
	3	Supervision

Source: Meeting with village government officials.

ALDPA – Ntyuka Canadian embassy community partnerships

ALPDA (Agricultural and Livestock Production and Development Association) is a local NGO registered in 2002. It aims at working with the community to reduce poverty through initiation and development of various projects to complement government efforts. According to the chairman, ALPDA noted that the dispensary building was at a standstill for a long time and tried to intervene. The management approached the village leaders for advice. It was agreed that a tech-

nical proposal was to be written with support from the ALPDA, so that assistance could be sought from donors. Finally a proposal for renovation of the building was sent to the Canadian Embassy in 2004. The Embassy agreed to support the community initiative, under condition that the municipality would make a commitment to contribute to the partnership, too. The initial plan of the ALPDA, Community collaboration, changed after inclusion of the Canadian Embassy and Dodoma Municipality.

Table 8.3 Summary of total stakeholders contributions to the Ntyuka dispensary

Partner		Contributions
ALPDA	1	Advice
	2	Coordination
	3	Accounts for the donor money
Canadian Embassy	1	Funds (Tsh 8,000,000) for staff house and toilet
Dodoma Municipal Council	1	Funds (Tsh 4,500,000)
	2	Technician for drawings and structure settings
	3	Lorry and fuel for transport
CMSR	1	Funding (Tsh 7,500,000)
	2	Technical advise
	3	Supervision
	4	Contractors paid to supply water for construction work
	5	Identified and paid contractors for civil work
Community	1	Unskilled labour
	2	Cash
	3	Sand and stones
Village government	1	Coordination
	2	Community mobilisation
	3	Supervision
Individual community members*	1	Land for the construction of the buildings
Prime Minister**	1	20 bags of cement
	2	30 corrugated metal sheets for roofing

* This was a forced contribution rather than collaboration because the village government took the land without consent of the owner.

** Honourable John Samuel Malechela, former Prime Minister and Member of Parliament. Contributions were made in1993.

Conclusion

This case is an interesting example of a project around which many actors come together for a common social goal. Table 8.3 summarises the contributions to the construction of the dispensary project since 1993. Pulling the resources together will not only enable the completion of the dispensary but also provide for a staff house and a toilet. There seem to be plans to mobilise resources that would con-

tinue so that the problem of water shortage will be solved and the dispensary be upgraded to a health centre. Still, some of the early problems may still threaten the sustainability of the facility. There never was a formalised project written up, or a clear and formalised contractual engagement that bound the people, community leadership and the municipal council. This lack of a clear foundation for partnerships led to difficulties that contributed to unusually delayed completion of the project and weak accountability mechanisms since 1993. Formalisation of the collective responsibility of the village and the municipal government is required to ensure the sustainability of the dispensary in the future.

Questions

1. Why did the dispensary take such a long time to be completed?
2. Usually, organisations operate by using formal channels of communication. To what extent do you think the informal channels of communication were instrumental in managing stakeholders' interests?
3. Who was the most powerful stakeholder in the accomplishment of the health project, and why?
4. By looking at the nature of partnerships, to what extent was there a win-win situation for all stakeholders?

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Photo 2 Market in Morogoro town

Photo by Geertje Holtrop

9

Professionalism

Wilhelm L. Mafuru

Introduction

The delivery of certain social services, such as education and health care, needs a scale of government that goes beyond the local communities. Local communities quite often lack the capacity to provide these costly services. On the other hand, the national government has an interest in safeguarding the quality of these services. This interest has to do with the redistribution of wealth and means between the different regions and districts. Quite often, education and health care are identified as national interests, sometimes even stated in the constitution as a responsibility entrusted to the national government.

Especially when it comes to education, the result is a tense relation between: On the one hand, the involvement of the national government, formulating the requirements and providing the means to a certain extent to provide education and, on the other hand, the local communities that are also involved in the quality of the educational services. After all, education is part of local cultural preferences and local communities will search for means to be able to maintain their values. To make things more complex, quite often these social services are also supported by non-governmental institutions, like churches. This chapter is about the tense relation between central and local and between formal rules and practical application.

Concept

Social services in local communities

Social services, such as health care and education depend to a large extent on the performance of professionals, like doctors, nurses and teachers. It is not easy to control the way these professionals operate. The actual consumers of these social

services are the local communities. The challenge in the social service delivery is to involve these local communities and to create a sphere of accountability between the professionals and the consumers. The quality of the social services, therefore, depends on the network of at least three (groups of) actors: The central government and its servants; the local communities and the professionals that deliver the services.

Central government

The responsibility for adequate provision of social services often leads to a legal framework that forms the normative base of the quality. The result is a regulatory framework with norms on, for example, the level of education required for working in either hospitals or schools. Other norms might affect the infrastructure of these facilities, like the number of class rooms required.

This legal framework is normally accompanied with a top-down financing to realise these services. Both interventions (the legal and the financial framework) lead to a system of supervision and intervention mechanisms from the central government to safeguard the adequate level of the social services.

Local communities

The facilities that provide the social services are located in local communities. These local communities form the second group of actors that affects the quality of the social service delivery. Local communities are considered as the consumers of the social services. They therefore have a stake in the quality and quantity of these services. It is impossible for the central government to realise an adequate level of services in schools and hospitals without the support of these local communities, both financially and supportively.

The involvement of the local communities is not only the result of the fact that the members of the communities are consumers of the facilities. Quite often the social services have a history within these communities. These services are considered collective goods of the community itself. Caring for sick and disabled persons, and caring for infants are social habits that exist in a family or a tribe even without the institution of a (public) school or hospital. The question remains whether or not the local communities still form a social group that feels a collective responsibility for these institutions.

Professionals

The third group of actors consists of those that actually deliver the social services: The trained personnel like teachers, nurses and doctors. These professionals form a separate group of actors, since they share the same background. These actors have the monopoly on the information on the actual quality of the service

delivery. One could consider this group as a semi-autonomous social field. The concept of semi-autonomous social fields explains the limited effectiveness of the central (formal) rules in the group of professionals. According to Moore, semi-autonomous social fields have their own customs and rules and the means of coercing or inducing compliance. The qualities which compel the individuals in the fields to adhere to the internally generated rules, immediately form the forces that dictate the mode of their compliance or non compliance with the formal rules (Moore 1973: 721-722).

The semi-autonomous social fields have their own defined boundaries and any attempt to direct change often fails to deliver the intended objectives. Even when it succeeds, wholly or partially, it frequently comes out with the unexpected consequences. The formal rules are seen as thrust upon the ongoing social (local) arrangements in which there are already binding obligations existing. Given the prevailing operational environment in these social fields, the local 'legal' orders are often stronger than the formal rules directed against them (Moore 1973: 723).

The operational environment of semi-autonomous social fields, in most cases, is characterised by the extra-legal activities. The justification of such activities in semi-autonomous social fields is based on moral obligations whose compliance lies on members' desire to avoid expected losses and ultimate exclusion. Moral obligations are the only obligations of the relationship that are not legally enforceable; however they depend on the value of the relationship itself for their enforcement. The force behind these obligations of relationships in the social fields is the intention of the individuals to aim at staying and the need to perform well in it (Moore 1973: 727-729). The internal environment of semi-autonomous social fields provides strong pressures for the individuals to conform to the established system of interdependence if one continues to remain in the social fields (relationship). Also in semi-autonomous social fields, the rules are produced within the field of action itself, and some other rules (normative orders) arise as the individuals in semi-autonomous social fields perform their work (Moore 1973: 728).

Teaching profession in Tanzania in Moore's perspective

This chapter is interested in using the concept of semi-autonomous social fields to understand the effects of the centralised teacher recruitment in the teaching profession in the ward secondary schools. The aim is to show the extent to which the internal arrangements of the teachers in these schools limit the effectiveness of the formal rules governing the provision of education service in Tanzania. The Tanzanian situation has been brought in Moore's perspective of semi-autonomous social fields when the case of the Chagga of Mount Kilimanjaro in Tanzania is discussed. The Chagga case provides a synopsis of the extent to

which local formation or internal structure can be resistant to the central efforts which are aimed at it. In the context of the Chagga, three pieces of legislation, namely the 1963 Act, which declared that there would no longer be any private freehold ownership in land; the introduction of a ten-house cell system as a direct attempt to change local social relationships and the abolition of chieftainship, were found to have very limited effects. Actually the land issue in the Chagga society, according to the customary system, has been tightened in the lineage system and is based on the mutual rights and obligations of kin and neighbours which have continued to be intact as they were before and even after the 1963 Act (Moore 1973: 733). That means that the values of the Chagga lineage organisation, for example, that kinsmen should help each other; that brothers should support each other or that land should never be sold without the consent of one's brothers; are still observed (Moore 1973: 735). Moore also provides the observation that such values as *help, support* and *consent* held in the Chagga society have relevance even to the current situations confronting modern societies. According to Moore (1973: 735),

> 'These values may also be interpreted as the ideological side of a very considerable modern mutual social and economic interest. They are not merely a survival from a traditional past.'

Furthermore, the state-introduced ten-house cell system in 1964, for the purpose of collecting and distributing information, was only found to be grafted on the local branches of lineage and neighbourhood. It is reported that within the Chagga society, the system of selecting ten-house cell leaders was arranged in such a way that it was in favour of all neighbours at the time (Moore 1973: 737). In this way, it can be said that the introduction of the ten-house cell system made little difference to the dominant Chagga lineage with its pre-existing neighbourhood patterns. In this locality, Moore (1973: 737-738) provides that

> '(…) ten-house cells are units of neighbours; they inevitably involve people who have (…) attachments to kinship, affinity and neighbourhood (…) The members of the ten-house cell are (…) men whose primary identity for one another is as neighbour, affine or kinsman.'

Although the 1963 abolition of chieftainship succeeded, for the Chagga, the chieftain families continued to prosper and their children joined the emerging literate elites. Being well economically, at least compared to their subjects, Chagga chiefs were able to afford to pay for the education of their children. Thus, with the abolition of chieftainship, the chiefly offices may have gone, but it seems that the powerful extended networks were already in place. According to Moore (1973: 740),

> '(…) the informal position of advantage of these men is the network of connections that members of chiefly lineages had with persons in positions of power and authority both in businesses and in government.'

Therefore, what this chapter draws from the Chagga case is the idea of lineage organisation (interdependence). Through it, the chapter aims to explain the extent to which the internal arrangements in the teaching profession in the in ward secondary schools limit the effectiveness of formal rules governing the provision of education service in Tanzania. It seems the pressures directed to teachers to conform to the local agreements and structures, emanating from their environment, cause the influence of the formal rules to be less effective. In Moore's (1973: 729) perspective:

> '(…) the social field is semi-autonomous not only because it can be affected by the direction of outside forces impinging upon it, but because individuals inside the social field can mobilise those outside forces'.

According to Moore (1973), the local lineage organisation advocates for the bound unit of individuals, closely connected through their own *contingent interests*, *being contiguous* and *sometimes through affection*, as is the case for teachers in ward secondary schools in Tanzania. The reason for positioning teachers in this way is that their social set up in the localities seems to make them rely on each other for *help, support* and *consent* regarding various issues that happen in their environment and they automatically become involved. For example, it is reported that local teachers have agreed to overcome the pressure of their work by modifying their teaching modality and focus more on teaching by reviewing the past examination questions. This has happened despite the directive by MoEVT that requires the adequate teaching of students in accordance with the approved syllabus in each subject (Sauti za Marafiki wa Elimu (the Voice of Friends of Education) 2004). Hence, the concept of semi-autonomous social fields in this chapter has the objective of providing the ground for explaining the extent to which teachers' coping with their workloads limits the effectiveness of the formal rules on the provision of education service.

The case of Milengwelengwe Secondary School

Central and local involvement

The government of the United Republic of Tanzania removed all restrictions in the provision of secondary education by the mid 1980s. This ended the era of nationalisation of education of the late 1960s through till the early 1980s. In this era, the provision of secondary education was completely under the control of the central government. Only a few religious secondary schools (seminaries) were spared by this policy (Samoff 1987).

The changed position of the government made it possible for other providers, especially the private sector, to provide secondary education. However, the new providers had the main characteristic of being strategic investors. They made careful calculations before they made investment. The specific location of the es-

tablishment of the school became a relevant aspect of this choice. The result was that many private schools were founded in the urban and affluent areas. As a result, the rural (remote) areas were left unattended (Ikoyi & Ikoyi 2005). The emerged situation, in this respect, was the systematic isolation of those who were in the remote and rural areas as well as those who could not afford the higher school fees in the private secondary schools.

During the 1990s, 9% of the students who completed primary schools were admitted in private secondary schools, while only around 6% were able to find a place in the still insufficient public secondary schools (Therkildsen 2000). The new policy measure was to enhance decentralisation, to support local communities in their efforts to establish schools. As a result, ward secondary schools emerged in Tanzania. This policy was implemented by means of a directive from the central government in the early 2000s, which required each ward to have a secondary school. These secondary schools were built in the wards by the local communities with some support from the central government (Osaki 2004).

To lower the differences between regions and districts, the central government is still involved in the appointment of educational staff. The teachers in the ward secondary school are recruited and appointed by the central government and, sometimes against their will, posted to work in certain remote wards.

This shows the tense relation between, on the one hand, the responsibility of the central government and on the other hand, the wish of involvement and accountability in local communities. The case of Milengwelengwe Secondary School shows how the central government, the local communities and the community of teachers operate and try to provide an adequate level of education.

Milengwelengwe Secondary School

Milengwelengwe Secondary School is a ward secondary school located in Mngazi ward in Morogoro District. This school is located about 130 kilometres southeast of Morogoro town. The school was established in 1994 and converted into a ward secondary school in 2003 due to the directive to establish a secondary school in every ward.

However, as pointed out by Mr Mwakalinga, the village executive officer of Mngazi, the new development in the provision of secondary education in the ward did not mean any change in the position and role of the local communities in the internal affairs of the ward secondary school. The local communities and their leaders continued to have limited involvement in the affairs of the school, and the only thing needed from them was their contributions to erect school infrastructure such as classrooms, elaborated by Mr Mwakalinga.

A group discussion with the community members made clear that no participant was in the position to provide basic data on such things as the number of

teachers available in the secondary school and the number of students enrolled in each class or even the round figure of the total number of students in the ward secondary school.

On the other hand, the public servants at the ward were not able to provide this information either. Responding to that, Mr Mwakalinga said 'our job is just to construct and not to inspect'. As a result, the local leaders in the ward were shocked by what happened in the ward secondary school as revealed by Mr Mwakalinga, when he said:

> 'In January 2008 I went to our secondary school. It was a private visit and I wanted to inquire whether I could get an opportunity to develop myself academically. Suddenly three young men approached me. I introduced myself to them and started to explain the purpose of my visit. One of them responded to my inquiry without introducing himself and others to me. When he finished his explanations, he introduced himself and his colleagues to me. I was shocked to learn that one of the three young men was not a teacher by profession but a form six leaver who was engaged by the school administration.'

On the other hand, Mr Mwakalinga had the view that the limited involvement of the local leaders especially, the chairpersons of the *kitongoji* (the local neighbourhoods) in the affairs of their ward secondary school was due to their 'lack of education' to understand and analyse the issues of the school.

The data obtained from the ward office showed that fourteen out of fifteen kitongoji chairpersons in the ward had only primary education qualification. Only one kitongoji chairperson had ordinary secondary education qualifications (Mngazi ward 2008). This state of affairs limited the *kitongoji* chairpersons from being involved in the school board as members, despite being prominent people in the ward. The minimum qualification for any person to be the member of the school board is a secondary education qualification (The National Education Act of 1978). The situation was different on the side of employed officials working in the ward, namely Ward Executive Officer; Ward Education Coordinator; Village Executive Officers of the four villages of Vigolegole, Mngazi, Sesenga and Milengwelengwe in Mngazi ward. These officials had ordinary secondary education qualification and above (Mngazi ward 2008).

Working as a teacher in the Ward secondary school

The weak relation with the ward and the local communities resulted in the situation that the staff of Milengwelengwe Secondary School formed a separate community. During the interview, Mr Salmat, the deputy head of school, stated that part of the welcoming procedure of new staff members

> 'includes finding temporary accommodation for the newcomers, while the school administration works on the places where the teachers will settle. This also goes hand-in-hand with helping them to formalise the requirements of their job by filling in the employment forms which are later forwarded to the Principal Secretary of the Ministry of Education and Vocational Training (MoEVT) in Dar es Salaam.'

The first week of the teacher's presence in the school environment was regarded as the 'socialisation week'. At this moment, a new teacher was informed of important things to be observed both in the school environment and the villages around. According to Mr Salmat, the most significant information availed to the teachers once they arrived was the consensus agreement among the teachers for helping each other. The agreement required the members (teachers) to contribute a certain amount of money each and give to a colleague who happened to have problems like sickness. These funds also provided some benefits in case of death of a family member or special occasions such as weddings and births of babies.

Mr Salmat stressed that the daily life in the ward secondary school was characterised by a high degree of tolerance and patience. This applied to the side of the teachers as well as that of the school administration. Mr Salmat also pointed out that normally the school administration did not impose immediate sanctions to any teacher who violated the internal rules or procedures, and he further provided the following:

> 'Since September 2007, one of our teachers, Mr Mohamed, had been absent. I, personally, made the efforts to contact him several times through his mobile phone but all in vain. Fortunately in November 2007, after several attempts, I managed to reach him through the phone. We had a friendly conversation but he was reluctant to disclose the problem prevented him from coming back. I assured him that the school administration had not written any warning letter to him for that. Of course, it was true that no letter was written on this case. This only happened in this month [October 2008] after seeing that there is no possibility for him to come back. That is when we decided to write a letter to the Principal Secretary-Ministry of Education and Vocational Training informing all about Mr Mohamed.'

Regarding the communities in the villages around Mngazi ward, Mr Salmat noted that teachers were advised to maintain an attitude of self-respect and respect for others. This also involved keeping distance from the matters happening in the local communities, especially local communities' politics. On the other hand, the members of the school community were divided in their opinions as far as their lives and working in the local environment were concerned. There were those who were not pleased with the local situation and wanted to leave. Others felt comfortable to continue working in the secondary school. Both groups had their specific reasons and feelings to support their views. For example, Mr Ayub, one of the teachers who wanted to leave, said:

> 'who would like to work here? This school does not have even a single computer, we are only using an old typewriter and a worn out duplicating machine which does not function properly. In most cases we are forced to write examinations on the blackboards. Worse still, there is no electricity here!'

Mr Burwai, a supporter of the preference to stay, was pleased to continue working in the local environment. Mr Burwai was the most senior and experienced teacher in the school. He had been in the school since 1998 and had well established himself in the local environment. He had big farms of maize and rice

where he spent his time when out of the normal teaching hours. Like any other newcomer by then, he had the thoughts of leaving the place as soon as possible but without quitting his career. Despite several attempts, he was never successful. Then he decided to stay and face the reality of the situation and utilise the opportunity. As a result, he was able to achieve what he had. That is, a grinding mill project, 40 acres of land used for agriculture, and a modern house just close to the ward secondary school. Given these achievements, Mr Burwai stated that he did not see the reason to leave.

Relationships in the ward

Generally, there was 'lack of mutual collaboration' between school community members and the members of the local community in the ward. During the interview, Mzee Mkwayu, one of the prominent elder people in the ward, indicated that some teachers, especially the young ones, did not feel concerned with matters in the local community. Mr Mwakalinga pointed out that such teachers viewed things like village meetings and whatever took place in the villages around as insignificant and a waste of time and they never attended. Mr Mwakalinga challenged this attitude and viewed it as a way for these teachers to isolate themselves from the rest in the ward.

The views of Mzee Mkwayu were confirmed by Mr Ayubu who stated: 'we want to live here peaceful until we leave. We do not want to be involved in unnecessary confrontations with *wazee* (elders) in this locality.'

Mzee Mkwayu was critical of this teachers' position and said that it was not appealling to be a good example to the common people around them. The Mngazi ward leaders pointed out that the local community in the ward share the view that teachers were a group of elites who were there for their own interests and did not come for sincere rendering of education service per se. Mr Samwel, the member of the Ward Development Committee (WDC) provided the following comments:

> 'Even in the WDC meetings, members of the school administration rarely attend. In fact, one the agenda for deliberations in the meetings is the implementation of secondary education development programme in the ward. Members of the secondary school administration are the key individuals to provide the WDC with the insights on what happens in the school's academic development.'

Education provision in the Ward secondary school

The shortage of teachers

A teacher is a crucial person who stands at the centre of education service delivery. Teachers' continuous presence and assured commitment play a significant role in the provision of education service to the community. In general, teachers

in secondary education are trained to teach two subjects. Table 9.1 shows that despite the teachers being trained in two subjects, they teach only one. As a result, a number of subjects were not taught at all. It was not clear for how long such a state of affair would persist.

Table 9.1 Teaching in Milengwelengwe Secondary School

Identity	Sex	Subjects trained to teach	Subject teaching
Teacher A1	Male	Kiswahili and History	School Administrator
Teacher A2	Male	English and Geography	Geography
Teacher 1	Female	Kiswahili and History	Kiswahili
Teacher 2	Male	Kiswahili and History	History
Teacher 3	Male	Kiswahili and English	English
Teacher 4	Male	Kiswahili and English	English
Teacher 5	Male	Civics and History	Civics

Source: Milengwelengwe Secondary School (2008b) Staff Workload Report.

Given the four classes and the nine subjects offered in Milengwelengwe secondary school, the total aggregate number of teachers required was supposed to be 36. But for this ward secondary school, at least a total of 18 teachers (bearing in mind that a secondary school teacher specialises in two subjects) could address the shortage. Table 9.1 shows that the actual number of teachers was only seven, including the head of the school.

Unanswered plea for teachers

The Ward secondary school suffered from a complete absence of 'professional' teachers to handle science subjects. The plea from the school administration to the Ministry of Education and Vocational Training (MoEVT) continued to be unanswered. In the year 2007, the school requested for four teachers to teach science subjects but no one was posted to the school. 'The same request was resubmitted in January 2008, stressing the urgency of the matter but it all ended in vain', said Mr Salmat. The MoEVT did not even provide the school with something to do as a short term solution to the problem.

Fortunately in March 2008, the school administration heard that there were new teachers who were expected to complete their training in May 2008 and that they would be recruited in the financial year 2008/2009. According to Mr Salmat, on the basis of that information, in April 2008 they wrote a reminder letter to the Regional Education Officer (REO), but all was as usual: No teacher was allocated to their ward school in July 2008. Surprisingly, the public servant re-

sponsible for education reallocated to other schools, even the two licensed teachers posted to Milengwelengwe Secondary School in the year 2007.

Short term coping strategy

In the situation where their pleas for more teachers were not answered by the higher authorities, the staff tried to find their own way to cope with this shortage. The school started to rely on the service of the untrained teachers. Working on this short term strategy, Mr Salmat explained, the school administration had to inform the school board. Without hesitation, the school board allowed the school administration to deal with the matter on its own.

Although the school board provided its consent on the matter, given the remoteness of the ward secondary school, the school administration was unable to engage qualified teachers, even on a part-time basis. According to Mr Salmat, this made the school administration to be left with only one option. That is, to try to convince the sixth form leavers who were willing to help the school. Mr Salmat further pointed out:

> 'In 2007 this option included the radical decision to engage three form six leavers to assist teaching Biology, Physics, Chemistry and Mathematics.'

Despite the fact that such 'teachers' helped the school to cover the gap, Mr Salmat was somehow doubtful of them:

> 'The engaged-form six teachers in most cases lack teaching methodologies and sometimes they fail to transfer knowledge to the students.'

Mr Salmat also hinted that there were situations where students came to his office complaining that they did not understand what the 'new teachers' taught them. This made students lose interest for the subjects.

Mr Salmat also indicated that the 'engaged form six leavers' were only temporarily assisting the school. Their availability was never guaranteed for the whole year. They lacked commitment to stay longer at the local school. For instance, in September 2008, two 'engaged teachers' left the school in the middle of the term even without issuing a notice. Their decision really confused not only the school administration but also the students since these individuals were the only ones responsible for mathematics and chemistry in the whole school. 'In other times, they actually leave as soon as their examination results are out or get any other opportunities outside the village. Normally they do believe that life outside the village is at least more promising', said Mr Salmat.

Policy implication of the short term coping strategy

The decision taken by the ward secondary school to engage form six leavers in teaching contradicted the provision of The National Education Act of 1978. The Act provides that no person shall teach or be employed as a teacher in any school

unless he is 'an authorised person'. According to the Act a teacher means a person who is 'certified, licensed or registered as a teacher'. The Education and Training Policy (1995) also states that the qualification of teachers and their ability to perform well in classroom is a key to improving the quality of education. The policy further points out that 'the minimum qualification' for a teacher in secondary schools shall be 'possession of a valid diploma in education obtained from a recognised institution'.

Also, the Public Service Act of 2002 and its Regulations (2003) and Public Service Management and Employment Policy (1999) provide the guiding principles for recruitment in public service and state that 'the selection of candidates in (…) public service shall be based on merits.'

Problems with recruiting new teachers

Milengwelengwe Secondary School, like any other secondary schools located in the remote areas, suffered the consequence of the centralised recruitment process. For instance, Mr Salmat was the only teacher responsible for teaching geography in the whole school. He explained that he had to move from one class to another throughout the week. This was a tiresome experience for him and most of the teachers in the school were in similar situations. They did not have enough time to rest and evaluate the subjects. The most difficult part for each teacher was during the evaluation of students in both continuous assessments and final examinations. Mr Salmat stated that he was required to evaluate all 396 students in the school, ranging from form one to form four.

> 'This teaching experience causes the morale of a teacher to deteriorate. Exposed to this situation, a teacher becomes exhausted and fails to care to check whether students understand the lesson or not. It becomes difficult for the teachers to take note of the students who have problems in understanding the subjects, unless one is very committed. This makes teachers only count the sessions and classes. The circumstances do not even allow the conduct of private counselling to the students.'

The teaching practice in the ward secondary school was also affected by the frequent absence of the teachers. Although the Employment and Labour Relations Act of 2004, section 27 (1) (a) states that

> '(…) an employer shall pay an employe (…) during working hours at the place of work on the agreed pay day,' the remoteness of the school did not provide any opportunity favouring its application. Instead, the teachers' employing authority opted for the provision of section 27 (1) (b) (ii) of the Employment and Labour Relations Act of 2004, which provides for 'direct deposit into an account designated by the employee.'

Given these circumstances, it became inevitable for teachers to structure absence in their monthly teaching schedules for the purpose of having at least four to five or even more days off for travelling to Morogoro to withdraw their salaries deposited in their bank accounts, explained Mr Salmat.

Moreover, Mr Salmat indicated that the lack of responsiveness on the part of the local community in the ward was a factor affecting the practice of teaching in the ward secondary school. For instance, the response of the members of the community on the extra teaching to the students during the vacations was not encouraging. According to Mr Salmat, the teachers supported the initiative, but most parents and members of the local community were not ready to incur extra costs associated with it. This was envisaged by the fact that in June 2008, out of 62 form four students, only the parents of three students agreed to pay. In the group of the form two students, out of 109 students, only 10 students received some extra courses.

However Mr Mwakalinga said that it was not true that the local community was not responsive but rather, they raised the argument 'why should they incur additional costs while they do not see a match between the value of their efforts in developing the school's infrastructures and the academic results the ward school produces?'

Motivation of teachers to teach in the Ward secondary school

The location of the ward school was not supportive for the motivation of the teachers. There are examples of teachers who left soon after reporting, as well as those whose reports came to the school stating that they would come but then never reported. The disheartening circumstance was that the teachers were required to travel to Morogoro every month at their own cost to collect the salaries. It is also obvious that teachers did not take the whole of their salaries to the village. Some amount remained in their bank accounts in town. This situation forced them to be the frequent travellers to Morogoro. This was not only costly for the teachers, but was also less encouraging since the time it took to travel could not be spent in the school, preparing for the courses.

According to Mr Salmat, the obvious and immediate effect was a lack of continuity in the teachers' teaching schedules. This resulted in leaving students idle for a number of days, of course doing absolutely nothing. In some occasions, when students learnt that teachers were not present in the school, some decided not to attend. This constituted to another cause of students' absence in the ward secondary school.

The interruptions on the ward school's calendar also affected the coverage of syllabi in the local school, apart from those subjects, for example mathematics, chemistry and biology, which were not taught at all. In the view of Mr Salmat, the structured absence contributed to insufficient teaching which generally had the impact on the students' performance in the school. Over the years, the form four national examination pass rate has been below 6%. In the form four national examination results of the year 2007, out of the 64 students who sat for national

examination only three students passed with division three. That means the pass rate was less than 5% (NECTA 2007).

Internal protocol in the Ward secondary school

In Milengwelengwe Secondary School, both teachers and the members of the school administration emerged to be tolerant and patient to each other. For example, the school community members became reserved, even if they viewed that certain behaviour practised by their colleagues jeopardised the accomplishment of the school objectives. Things like deliberate teachers' absence and absconding from class sessions, as per the master time table did not receive the needed reaction from either the colleagues or the school administration.

Mr Ayubu, one of the teachers in the school, revealed that in April 2007, the school got a surprise visit by the officials from Public Service Management (PSM). These officials came for verification of the employees in the school. Unfortunately, their colleague had gone to town and overstayed for a week. Luckily enough, he came back before the PSM officials completed the exercise. Mr Ayubu further stated that the 'good thing' was that even the school administration had not served him with a warning letter for what he did. To the school administration the only thing that mattered was that the teachers were still working and willing to teach at least some courses.

This mutual interest of teachers and administration was an important aspect of social affiliation. According to them, good personal relationship counted more than adhering to the principles guiding their profession as teachers on the one hand, and the school administration procedures on the other hand. In this way, the interests of the ward secondary school were being overshadowed by the efforts exercised by both parties (teachers and school administrators) to please each other.

Patience and tolerance controlled the internal protocol of the ward secondary school. The two overwhelmed the life of the members of the school community in their environment. However, this had adverse effects on the school administration procedure and the way sensitive issues were handled in the school. For instance, a complex issue such as the one which involved a teacher who absconded from teaching was just lightly handled. It took almost a year (from September 2007 to October 2008) for the school administration to react on that issue. Instead of initiating disciplinary action as laid down in the Public Service Act of 2002 and Public Service Regulations 2003, the school administration went on negotiating with the 'absent teacher'. By doing so, the school administration was sending a message to the concerned teacher and others that its concern was peaceful co-existence in the local environment. In other words, the administration did not want to be looked upon as a source of misery to others. This was the posi-

tion of the members of the school community and 'it was like a norm to be observed' in Milengwelengwe Secondary School.

The implication of concentrating so much on managing the individual personal relationship internally drifted the ward secondary school into being a 'relationship maintenance institution.' For instance, the school Report (2008a) on the Manning Level provided a different picture, contrary to what was observed at the school. The report showed that the ward secondary school had ten 'available' teachers; while the revelation from the school master's time table, and the workload allocation report at that time (October 2008), showed that the school actually had seven teachers that were available. A thorough inquiry on this disparity revealed that in September 2007, three teachers left for studies to some higher learning institutions to pursue non-education related courses. Knowingly, these teachers decided not to request for the lease letters from MoEVT. They did so because they were aware of the provision of the Education Circular No. 7 of 2006. The circular provides that, among other things, 'a teacher will only be provided with a lease letter and entitlement for the salary every month once they pursue a course relating to the teaching profession (education courses) only.' However, their case did not fit the provision of that circular. But given the internal protocol in the school, they were just reported as individuals who were available! Both the school administration and teachers reserved this matter despite holding a huge workload. Thus, three teachers continued to pursue their courses and at the same time receiving their salaries every month. Though they did not have the official permission to be outside their duty station from MoEVT, they had the consent from their colleagues.

Questions

1. Why and how do professionals who are engaged in social service delivery emerge as semi-autonomous social fields? Explain by citing examples from the case.
2. Why are the internally generated norms in the social fields stronger than the centrally formulated rules when professionals perform their duties in social service delivery?
3. Based on your reading of the case, what do you consider to be the importance of professionals for society? What are the pros and cons of having professionals behaving as semi-autonomous social fields in social service delivery?
4. On the basis of the analysis of the case and revelation of the concepts in this chapter, why is it that the local communities and professionals tend to diverge in the locality?
5. Does the case help you to broadly view the professionals in public service as semi-autonomous social fields? Explain. What can be the factors that determine the likelihood of the professionals to prefer staying and working longer in a particular social service delivery setting?

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Public Service Regulations (2003)
Employment and Labour Relations Act No. 6 (2004)
Education Circular No. 7 (2006)

Photo 3 A class in a Ward secondary school

Photo by Wilhelm Mafuru

10

Intergovernmental relations

Henry A. Mollel

Introduction

In every state system, governmental authority is to some extent dispersed over more than one governmental body. Quite often, one could distinguish a certain level of interdependency between these bodies with a central body, a state authority or a federal government, and with decentralised bodies, like districts or municipalities. Even in the most centralised systems, there is a pressure to subdivide governmental activities and to attribute some power for taking decisions and executing tasks to authorities other than the central government. And on the other hand, even the most grass roots kind of state organisation will experience incentives for concentrating part of the governmental authority in one central unit.

Between these two units, intergovernmental relations exist. These relations are complex by nature. On the one hand, these relations often aim at recognising a certain level of autonomy for local communities. On the other hand, central involvement is needed to support and protect national interests.

This chapter highlights general theoretical concepts of intergovernmental relations. These general notions are applied to the practical experience of Decentralisation by Devolution (DbyD) in Tanzania, particularly in the area of social services. The case of Tawa Health Centre shows the way general principles are applied to the complex reality of decentralisation in Tanzania.

Intergovernmental relations

Definition of intergovernmental relations

Governments are configured to suit the context in which they operate. One could therefore see many variations in organisational structure of the state system. Despite this variation, there is always some kind of hierarchy between central gov-

ernmental layers and sub-central or local governmental layers. There is an empirical logic in the division of governmental tasks within a hierarchy. On the one hand, a low level of government is inevitable since local communities will search for a structure to get involved in decision-making that affects the collective interests (Oates 1972). On the other hand, a central involvement is needed to solve problems and disputes between local communities and to guarantee economic stabilisation and equal distribution of wealth. The relation between the two layers is therefore of specific interest and can easily cause tensions between local interests on the one hand, and on the other hand, national preferences. This relation between governmental layers can be defined as intergovernmental relations.

The simple explanation of intergovernmental relations is the interaction between the different spheres of government. The size and number of these spheres are often determined by the institutional arrangement of a particular country. For example, the United States has a federal system of government. This means that there is a central government (the federal government), a sub-central sphere (the 50 states) and within these states a further division in local governments (counties and municipalities). The same can be observed in the unitary state, for example South Africa, where the Constitution states explicitly that 'government is constituted at national, provincial and local spheres of government which are distinctive, interdependent and interrelated' (Van Zandt 2003).

The constitution is a source of powers that are dispersed over the different spheres of government. The dispersion of powers can be categorised in either centralised systems or decentralised systems. In a centralised system, the powers are concentrated at the central level and the sub-central governments operate as de-concentrated agents for the central government. The alternative is a decentralised system which involves transfers of powers from the central governments to the lower levels (sub-central governments) in a political-administrative and territorial hierarchy (Crook & Manor 1998).

As stated before, a state system is never fully centralised or decentralised. Between these two extremes there are at least three models of the intergovernmental relations between central and sub-central that need to be clarified. These are deconcentration, delegation and devolution.

De-concentration is the process by which the central government disperses responsibilities for certain services to its regional branch offices without involving any transfer of authority to a lower level of government (Litvack *et al.* 1998: 4). This is often considered the weakest form of decentralisation (Rondinelli 1999: 2). *Delegation* refers to a situation in which the central government transfers responsibility for decision-making and administration of public functions to local governments or semiautonomous organisations. These are wholly controlled by

the central government and are accountable to the central government (Bergh 2004: 781). *Devolution* occurs when the central government transfers authority for decision-making, financial allocations, and management to quasi-autonomous units of local government (Bergh 2004: 781). Commonly, devolution involves the transfer of responsibilities for services to municipalities that elect their mayors and councils, raise their revenues, and have independent authority to make investment decisions (Litvack *et al.* 1998).

One could consider these three forms of organisation as a scale of decentralisation: from less decentralisation to more decentralisation. Inevitably, the actual degree of decentralisation has to be derived from the actual dispersion of powers within the intergovernmental relations. These are not only legal powers, but also political, administrative and financial. Political powers aim at giving citizens or their elected representatives influence in public decision-making (Rondinelli 1999). This public decision-making involves the formulation of policies and implementation of measures. The administrative powers follow these public powers; implementation is in the end an administrative matter that needs bureaucracy that is capable of implementing these measures and accounting for the results (World Bank 2002). The financial powers might be considered the core component of decentralisation. If local governments are to carry out decentralised functions effectively, they must have an adequate level of revenues, either raised locally or transferred from the central government. These financial powers have to be supported with the authority to make decisions about expenditures.

If one would want to assess the degree of decentralisation within a state structure, the financial powers are an obvious point of departure. In the end, local decision-making is only relevant if this decision-making involves the expenditure of means. The highest forms of decentralisation, therefore, almost inevitably involve the powers and authorities to decide upon financial matters. In the words of Ebel & Serdar (2001: 25):

> 'Devolution is usually synonymous to fiscal decentralisation where sub-central governments have clear expenditure assignments, substantial budget autonomy, and legally recognised geographical boundaries within which they perform public functions.'

Local government financing mechanisms

The first mechanism that determines the actual financial powers of local governments is the mechanism of collection of own revenues. These revenues often have the form of taxes or levies. The underlying philosophy of transferring the authority to collect these revenues is that local governments possess the distinctive advantages over the central government to perform some public sector obligations more efficiently. The efficient use of resources by the local government is often linked to the assumption that local governments can choose the mix of

public services and revenues that best meets the preferences of the people in their areas of jurisdiction.

The power of local governments to collect taxes can easily cause tensions with the taxes collected by the central government. Therefore, careful decisions need to be made on whether levies and taxes should be collected locally or centrally. There are a few well defined principles for this choice. The most important principle is that local taxes should be related to those who benefit from the local services that are being financed by the revenue. Another principle is that local government should not levy taxes that cause businesses to adopt inefficient methods of doing business that might harm the growth in the local (and national) economy. And finally, there is the more general principle that local government should not levy taxes that impose heavy administration and compliance costs (Bahl 1995).

Despite these general principles, there is yet a uniform agreement among policy makers about which specific taxes should be assigned to the local governments (McLure 1994; Oates 1993). There are many forms of local revenues that can be raised. These are, for example property taxes, user charges, and fees for licenses or other public services. Despite these options, too often, especially in the developing countries, the revenues generated from these own-sources fail to match the expenditure needs of these local governments (Cheema & Rondinelli 2007). This is associated with the fact that, local governments commonly use too many unproductive revenues and tax bases that are already taxed by the central level. In addition, some sources suffer from design flaws, such as stagnant bases, complex structures, and ineffective administration.

To counterbalance these imbalances, local governmental bodies often depend on intergovernmental transfers. These transfers also intend to serve redistribution objectives, reducing fiscal capacity differences and encouraging expenditure on national priority services (Cheema & Rondinelli 2007).

There are two basic types of intergovernmental transfers: conditional and unconditional. In the case of conditional grants, the central government defines, to some extent at least, the purpose for which the local governments have to use the funds (Oates 1972). This type of grant is considered to encourage expenditure on national priorities. Where the grants are unconditional, there are, in contrast, no specifications and local governments can employ the grants according to their own set of priorities (Oates 1972).

The importance of these financial transfers determines the actual functioning of intergovernmental relations. The most important aspect of decentralisation is, therefore, the development of a structure that allows an appropriate mix of different sources of revenue for local governments (own-revenues, conditional and unconditional transfers) while at the same time ensuring an appropriate balance be-

tween the degree of local autonomy and central control. More often, the intergovernmental transfers systems have undermined the local government incentives to raise revenue through taxes, borrowing and so forth (Oates 1972), thus lessening the local government autonomy. As a result, the local government becomes too dependent of the central governments and the real essence of decentralisation remains at a crossroads.

Theoretical perceptive on financial decentralisation

Financial decentralisation is the balance between local autonomy on the one hand and on the other hand, central control. In this section, we focus on the suitability of different local government financing mechanisms and the rationale for replacing the local financing by central financing. As a point of departure, Masgrave (Masgrave as cited in Oates 1998: 629) states:

> 'The purpose of government budgets is to stabilise growth, redistribute income, and allocate fiscal resources has long been the starting point for discussing the division of fiscal power and responsibilities among units of government. The stimulation of economic growth and the distribution of income, he argues, are proper budget objectives of the national government. The mobility of capital and that of labour rule out local government success with policies in other areas. This leaves allocation as the main role for local governments (i.e., the decision about how much to spend for each service and how to finance these expenditures). The national governments, it is said, are closest to the voter-consumers and are in the best position to read local preferences for public services and for various kinds of taxes and user charges. The proper degree of decentralisation, then, will depend on how the efficiency gains from getting government closer to the people compare with the advantages that result from giving national governments more discretion to peruse fiscal policy.'

In view of Masgrave, the transfer of some financial obligations (power and authority) to the local level governments is associated with the limitations of having only one level of government perform the function of the public sector finance. In this regard, some financial obligations are therefore worth being decentralised than being managed centrally.

From an economical point of view, Oates (1972: 13) provides three desirable characteristics of decentralisation in the public sector:

> 'First, decentralization provides a means in which the levels of consumption of some public goods can be tailed to the preferences of subsets of the society. In this way, economic efficiency is enhanced by providing an allocation of resources that is more responsive to the test of the consumers. Second, by promoting increased innovation over time and by providing competitive pressure to induce local governments to adopt the most efficient techniques of production, decentralization may increase both static and dynamic efficiency in the production of public goods. Third, a system of local governments may provide an institutional setting that promotes better public decision-making by compelling a more explicit recognition of the costs of public programs.'

This economist point of view is not exceptional. Even non-economists perceive that local governments are closer to the people and therefore have a potential advantage to enhance participation in government, to provide an outcome that is

closest to the preferences of the people, and allow the potential process to guarantee a more efficient operation of local government (Bahl 1995). In both ways of reasoning, the result is the same. The aim is still to provide a mix of services that match the demands of local population and furthermore, to make the local government officials more accountable to their voters for the quality of services they provide. Another aim is to make the local populations become more willing to pay for public services, now that their preferences have been taken into account.

The challenge that remains is to create a balance in which both the central government and the local government can operate without the central governments taking over control. This is quite an issue in the decentralised system of governance. For example, Ribot (2002: 2) argues that

> 'Many central government agents fear, and therefore block, decentralisation. By preventing transfers of meaningful powers to local democratic bodies, or transferring them to local agents, who are only accountable for the central government and other line ministries, prevent decentralisations from moving forward. As a result, to date the potential benefits of decentralisation remain unrealised because government discourse has not resulted in the enactment of necessary laws, or where decentralisation laws do exist, they have not been implemented.'

These sources show that it is quite difficult to provide the recipe for the best institutional arrangement that guarantees successful decentralisation. Instead, it is quite often a matter of trial and error: New institutional arrangements follow old ones. The case of Tawa Health Centre illustrates this struggle.

Case of Tawa Health Centre in Morogoro Rural District

The DbyD policy in Tanzania

The institutional arrangements in the United Republic of Tanzania have changed from a strong position of local governments right after the independence in 1961 to a de-concentrated system, with a strong position of the central governments under the Arusha Declaration of 1967 and the abolishment of the local governments authorities (LGAs) in 1972. In 1982 these LGAs were re-established again, to enhance participation of the people in local development. The final step in the development of the intergovernmental relations is the Local Government Reform Program of 1998 that aims at reinforcing the role and powers of these LGAs. This program is based on the principle of Development by Devolution (DbyD). The assumption is that only if local governments are able to make their own choices, sustainable development will occur. Within this program, the central government has to financially support local initiatives, as laid down in local plans (Mollel 2010). The case of Tawa Health Centre shows the real functioning of this institutional relation.

Tawa Health Centre

Tawa Health Centre is a primary health facility in Morogoro District. It was established in 1958 by community members in support of the government. The health centre is situated 74 kilometres from the district headquarters of Morogoro. This district is the local government authority that has to formulate the preferences for local development.

The road connecting the health centre and the district headquarters is a dirt road. According to the health centre in-charge:

> 'During the rain season, travelling between the health centre and the district headquarters is difficult. Most of the cars cannot reach the Tawa area since some parts of the road become impassable.'

The main economic activity in Tawa is agriculture. Most of the people are peasants with a few involved in livestock keeping. The area has also few entrepreneurs. The entrepreneurs are involved in running small restaurants and small shops. There is also a market place which operates once a week. The market place provides opportunity for peasants to sell their farm product in exchange for other goods such as cooking oil, kerosene, sugar, salt and the like.

Tawa Health Centre is located in Tawa village. Tawa village is one of six villages that form the Tawa ward. All these villages within the ward depend on the services of Tawa Health Centre. The ward is the administrative layer within the local government authority that has to inform the district on the actual needs and preferences. The district then has to incorporate the preferences of all the wards in one comprehensive district plan. According to the decentralisation policy, the decisions of the central government on granting funds, is based on this document.

The actual situation in Tawa Health Centre is rather poor. There are many shortages. Table 10.1 shows the condition of the health centre in terms of buildings, staff and equipment over the years 2000-2008. The far right column shows the actual need of the identified items, based on the national standards.

The table shows that little improvements were observed in areas of staff and equipment. There were also minor improvements in buildings, more specifically, the painting of dilapidated walls of old buildings. But despite these changes, the health centre still faces serious problems. According to the in-charge:

> 'There are great shortages of infrastructure in the health centre. The health centre is not capable of delivering services that the health centre is required to deliver. For example, we have to refer minor surgeries to the regional hospital.'

The comparison with the national standards confirms this conclusion. Tawa Health Centre leaves much to be desired in terms of infrastructural necessities to deliver the basic health services.

Table 10.1 Infrastructure of Tawa Health Centre between 2000 and 2008

Service areas	Years									N.S.*
	2000	2001	2002	2003	2004	2005	2006	2007	2008	
Staff	15	13	11	15	16	15	15	17	18	15
Buildings										
Operating rooms	11	11	11	11	11	11	11	11	11	15
Wards	3	3	3	3	3	3	3	3	3	5
Staff quarters	8	8	8	8	8	8	8	8	8	15
Equipment										
Autoclave	0	0	0	0	0	0	0	0	0	2
Delivery kit	1	1	1	1	1	1	1	1	1	2
Delivery bed	1	1	1	1	1	1	1	1	1	2
Microscope	2	2	2	2	2	2	2	2	2	4
Weigh scale	3	3	3	3	3	3	3	3	3	4
BP monitor	3	3	3	3	3	3	3	1	4	4
Stethoscope	3	3	3	3	3	3	2	2	2	4
Diagnostic set	0	0	0	0	0	0	0	0	0	4
Ambulance bag	0	0	0	0	0	0	0	0	0	4

* N.S. = National Standards

Planning process in general

To assess the actual decentralisation in Tanzania, one could reconstruct the involvement of the local communities in the decision-making on the granting of funds. For this, information was gathered through interviews and group discussion with local community members and public administrators at the district level. Furthermore, the plans of the ward were compared to the plan of the district council and the actual decisions of the central government.

The planning process in Tawa village began with training of the village councils, conducted by the facilitators sent from the district headquarter. The training aimed at informing the community members about the process of developing the community plan.

Thereafter, the village council developed a draft of their respective village plan. The developed draft was then presented to the village general meeting. In the general meetings, community members were given the opportunity to question, reject some of the identified development preferences and identify the new ones. Subsequently, the final draft of the village plan with development preferences of the entire community members was developed. The village plan was then presented to the ward level, which was compiled and submitted to the district headquarters.

When asked about the actual involvement in this planning process, it became clear that the members of the community, who attended the meetings in which the plans were adopted, were neither aware of the planning process nor the content of the community plan. Even at the ward level, where the local plans were

compromised, the public servant had no idea of what was contained in the village plan. No one could mention one development preference identified regarding Tawa Health Centre.

Tawa Health Centre in the planning process

It is interesting to search for the actual preferences in the planning process regarding Tawa Health Centre. After all, one could observe some changes over the years. The relevant question is therefore: Are these changes the result of the use of the decentralised planning process, or are there other valid mechanisms?

The content of the village plan

The plan of Tawa village showed that some of the development preferences related to shortages of the health centre infrastructure that were incorporated into the community plan. Such development preferences were those related to buildings and staff. No development preferences related to equipment were observed in the plan.

Table 10.2 Preferences of Tawa Health Centre in the village plan

1. Construction of staff houses
2. Construction of the building for Mother and Child Health (MCH) services
3. Adequate staff
4. One Public Health Nurse

None of the respondents at the grassroots level had any idea about these preferences in the community plan. In this regard, it was not possible to get clarification about unclear contents of the plan.

Planning at council level

As stated before, the local plans are the input for the Comprehensive Council Health Plan (CCHP), adopted by the District Council. This CCHP forms the base of the national Comprehensive Council Development Plan and budget (CCDPB).

The account of the head of health department at the district council shows that the development preferences incorporated into the CCHP are those identified by the grassroots people. The head of department said that the CCHP is developed based on information received from the grassroots or collected by the CHMT members. He argued that

> 'Before 2000, most development decisions were done at the district headquarters, but after the reform every development activity has to originate from the grassroots level.'

Contrary to this account, the district health secretary stated that the information used to develop the CCHP is collected by the Council Health Management Team (CHMT). This CHMT is the group of public servants working at the district level that have direct contact with the in-charges of the facilities in the district. They gather information through quarterly reports and request letters received from the in-charges of the primary health facilities.

According to head of economics departments of the district, in most cases, the development preferences received through community plans are similar to those received through other methods, such as the quarterly reports. In this view, it is not necessary to use the community plan for the decision-making at the district level, since the data gathered through other means is just as adequate.

The statement that community plans are not always useful was confirmed by other public servants involved in the planning procedure at the district level. There are four reasons. Firstly the national guidelines provide the same priorities that must be included in the CCHP. Secondly, the budget ceilings which are developed centrally have less consideration of the actual development preferences identified at the grassroots level. Thirdly, the frequent changes of national priorities confuse courses of action undertaken at the local level. And fourthly there are simply too little funds compared to actual development preferences received from the grassroots. These factors make the planning process a routine activity with little input to the actual development preferences of the grassroots people.

Content of council plan in relation to Tawa Health Centre infrastructure

To check whether or not the village plan has, indeed, little impact, the content of the village plan was compared with the CCHP. A first indication of the relevance of this plan was the fact that the community plan of Tawa village was found shelved in the economics department, with no sign of being used. It was underneath the old box, full of dust.

The CCHP was reviewed to establish the development preferences related to Tawa Health Centre infrastructure. The reviewed CCHP was for the financial years 2005/2006, 2006/2007 and 2007/2008. These financial years cover the similar period as with the community plan of Tawa village.

The three CCHPs showed that the development preferences identified in the community plan of Tawa village were not reflected in the council plan. The issue of staff included in one of the CCHP was not specific to Tawa Health Centre. It was stated in a general term, which made it illogical to link with the health staff needs, contained in the plan of Tawa. This issue of staff in the CCHP was presented as ‘support deployment and re-deployment of health workers’.

If one compares the preferences stated by the community (table 10.2) with the actual decisions as stated in the CCHP (table 10.3) it becomes clear that the is-

sues identified by the district are not based on the community plan of Tawa village. According to the district health secretary, the issues in the CCHP are based on the information gathered through quarterly visits, request letters from the in-charge and support supervision visits made by public servants of the district.

Table 10.3 Development decisions in the council plans related to Tawa Health Centre

1. Restore and equip VCT services in Tawa Health Centre
2. Install grilled doors and windows in Tawa Health Centre
3. Conduct maintenance of Tawa Health Centre ambulance
4. Procure office equipment and supplies for Tawa Health Centre
5. Procure and supplies dental equipment for Tawa Health Centre
6. Purchase and install solar panels and accessories for Radio calls installation in Tawa Health Centre
7. Conduct wiring and install generator electric supply to Tawa Health Centre
8. Restore Tawa Health Centre
9. Purchase binocular microscope for Tawa health Centre

Why are local wishes ignored?

The question remains why the planning process does not function as intended. To gather an answer to this question, several officials were interviewed. According to these respondents, the Comprehensive Council Health Plan is mainly based on the 'Medium Terms Plans and Budgets' guidelines and other sectoral priorities, including annually set budget ceilings.[1] In view of these officials, such guidelines not only limit the development preferences identified at the grassroots level to be incorporated into council plan but also restricted the choices that could be made. For example, one official pointed out that:

> 'Planning beyond ceiling and national priorities was only possible if the council has its own resources to implement. But our council is poorly resourced.'

It appears from this statement that the development preference identified by the grassroots people depends largely on the central government transfers. According to the district executive director, the central government transfers in Morogoro District are more than 85% of the total budget of Morogoro District. The district executive director added that most of the central government transfers are accompanied by guidelines which limit the council discretion to allocate such resources on the basis of the actual situation in the ground.

As one example in 2005/2006, Morogoro District council qualified for the Development Grant and Funds.[2] The Development Grant and Funds include the so-

2. At the time of this study, the available version of guideline was the one reviewed in 2007.
3. The council must meet the *minimum access condition* to qualify for the Development Grant and Funds.

called Joint Health Infrastructure Rehabilitation Fund (JHIRF) which has been categorised specifically for improvement of health facilities infrastructure. Despite the seemingly broad scope of expenditures, the JHIRF was actually directed to the construction of new dispensaries in every village. This was not part of the council plan, but was only a political directive of the central government, that stated that health facilities should be accessible in every village.

These political directives paralyse most of the planned development preferences, as stated in community plans and district plans. There is no specific budget set for these political wishes, expressed by the central government. Instead, district councils and, actually, any other institution involved in the planning process is required by all means possible to address it. As a result, the local wishes are ignored.

Many of the interviewed senior officials perceive these directives as more political and less realistic. These respondents pointed out that most of primary health facilities in the district already have shortages of equipment, staff and buildings. Increasing a number of health facilities is like complicating the already existing problems, since the available limited resources have to be pulled from strengthening the available ones to the new ones. 'The best strategy would have been first to strengthen the available ones', said one of the senior officials. 'The top-down development directive frustrates council decisions-making', argued another official.

In situations where the central government directs local governments to implement an unplanned programme, the community participation difficulties are hampered. Mostly, the district council had to try harder to make local people understand the relevance of the decisions and to comply or contribute. Sometimes, the council had to use some form of coercion in order to get people to participate. Thus, 'instead of accelerating development activities, local initiatives were confused' said the official.

According to senior officials, another constraining factor to the planning process is the bureaucratic procedure. This leaves little discretion to the council to deviate from guidelines and directives. One senior official argued that

> 'the council budget must be approved by the regional secretariat. They call it advisory, but my friend! When you are advised and you refuse to incorporate such advice into the plan, the regional secretariat has its own way of communicating to the central government to make sure you get stuck.'

In this view, it appears that the central government has a great influence on the development decisions undertaken at the local level.

Infrastructural improvement made at Tawa Health Centre

Despite the malfunctioning of the planning process, we did see some changes that can be related to the preferences as expressed by the local community. The data in table 10.1 shows that the main infrastructural improvements made at the health centre were renovation, addition of three staff members and equipping the health centre with one delivery bed and two blood pressure machines.

Unplanned improvements

According to the respondents, some of the improvements made at the health centre, like the painting of the walls, were due to the Uhuru Torch Race. The Uhuru Torch Race is a national event whereby the Uhuru Torch, a national symbol of Tanzania, is raced to different parts of the country with a government message (development slogan) for that particular year. Normally, preparations are made in areas earmarked for the race. One of the preparations was that of the painting of the walls of Tawa Health Centre and some other minor improvements. The general idea was that these renovations would not have been made at the health centre if the Uhuru Torch Race was not directed to Tawa village.

According to the health centre in-charge, the major development problems of Tawa Health Centre were: The lack of the building for Mother and Child Health (MCH), the lack of a laboratory, the lack of a theatre and inadequate staff houses. As noted earlier, some of these problems were identified through the community plan of Tawa village. Regarding staff houses, the in-charge said that staff houses in Tawa are important because the area has no houses for rent. At the time of this study, the eighteen staff shared eight available apartments. 'This is not a good situation for our staff', said the health centre in-charge.

Administrative relations

Another mechanism that influences the actual development, is related to the administrative relations between the officials at the facility level and the district officials. As mentioned before, the in-charge has to report about the actual state of the facility and the needs. According to the health centre in-charge, this procedure is actually the most important means to improve the facility. For those that can be dealt with at the grassroots level, the village council is only informed to support the process.

'The health centre development's preferences are forwarded to the district headquarters or village council in the form of letters', said the health centre in-charge. He further added that to ensure that the forwarded development preferences were acted up on, follow-ups should be made through reminder letters or physically visiting the district headquarters or village council.

The development preferences, expressed in the form of letters, are accompanied by quarterly report and Health Management Information System (HMIS) forms. According to the health centre in-charge, the infrastructural needs of the health centre are also forwarded to the district headquarters through quarterly reports and HMIS forms. These are the means in which development references about the health centre are obtained at the district headquarters and incorporated into the Comprehensive Council Health Plan (CCHP), said the health centre in-charge.

Questions

1. Which actors in the intergovernmental relation are as described in the case of Tawa Health Centre?
2. Give a brief overview of the theory underlying the DbyD policy. What do you think is the main reason for this decentralisation policy?
3. To which extent does the case of Tawa Health Centre reflect the intergovernmental relation as prescribed in the policy of DbyD?
4. What do you think should be changed in the intergovernmental relation to reinforce this DbyD policy? Identify also the weaknesses of any of your recommendations.

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Photo 4 Headquarters of Morogoro Municipality

Photo by Geertje Holtrop

PART III

PUBLIC MANAGEMENT AND PUBLIC ORGANISATIONS

11

Staffing

Hamisi K. Kiyabo

Introduction

Public policy has to be implemented by organisations. The success or failure of implementation of policy is therefore dependent on the functioning of these organisations. In general, one ought to imagine an organisation as a group of individuals. Hence, the functioning of organisations depends on these social interactions within this group. A specific social interaction within organisations is the interaction between the manager and the subordinates. Managers have many instruments at their disposal to steer their employees. They have to decide on who they wish to hire, to fire, to promote, and on how they will control and correct their subordinates. These decisions are essential for the functioning of all organisations.

These decisions are not specific for organisations in the public sphere. What is special is that in public organisations, these decisions are quite often more regulated, to protect the public organisations from favouritism or nepotism. Both favouritism and nepotism are a threat for the public interest.

This chapter focuses on the way public organisations protect themselves against such threats of abuse of power. The concept is the ‘merit system’ as a management tool to make management decisions. The question that can be raised is whether or not this merit system functions in public organisations and if not, what are the real arguments for managers in public organisations to make their decisions?

Merit system

Human relations

Although it is difficult to state precisely when the human relations movement began, most studies show that the earliest developments emerged in the mid-1800s. At the beginning of the movement, the centre of attention was mainly on improving efficiency, motivation, and productivity. Later on, this research became more involved in redefining the nature of work and perceiving workers as complex human beings, not like other commodities that could be bought, sold or even fired at any time.

Before starting advancement in technology, most individual craft workers used to work on a product from the beginning till the finalisation. Due to the Industrial Revolution in the mid 1800s labour became a commodity or another item in the manufacturing equation like raw materials and capital. In an industrialised process, employees did not have special skills. They were more or less exchangeable. Worse still, hours were long and pay was low. Employers did not realise how workers' needs normally affected productivity.

In this environment, a scientific approach towards the use of labour emerged. One of the major proponents was Frederick Taylor, who is regarded as a father of the concept of 'scientific management'. One important feature of the concept of scientific management is that productivity could be improved by breaking down a job into isolated, specialised tasks and assigning each of those tasks to specific workers.

The automobile industry was one of the famous examples where scientific management was implemented. Instead of one employee who was responsible for the entire process, assembly lines appeared. Employees were only responsible for assembling parts of the car. Meanwhile a new caste appeared: The managers that had to supervise and control the entire process of the assembly. As a result, the social relations within the firm, between management and employees changed dramatically due to the scientific approach of labour. Individual performances of employees were generally becoming more visible. Skills that needed training were rather limited to just those skills needed on that spot of the assembly line.

Organisation performance

The success of the organisation can be measured on the base of the organisation performance. Organisation performance is not a precisely defined concept (Therkildsen & Tidemand 2007). Spontaneously, the performance of an organisation in practice is related to its capacity to deliver basic goods and services, as well as the ability to provide a suitable policy and regulatory environment for development to take place. With this concept, there is a direct link between organisational capacity and its performance. Therefore, staff, their merits, motivation and

the ways they are managed in a specific organisational context, are crucial to that linkage. To illustrate this Therikildsen & Tidemand (2007: 20) use a motorcar metaphor:

> '(…) we maintain a car's engine, chassis, brakes, tyres, etc. – its capacity – because we value safe and reliable transportation – the car's performance. Lack of fuel, bad roads and poor maintenance quickly affect a car's performance and may eventually destroy its capacity to deliver transportation at all. In organisations, the contributions of staff to work are likewise part of the capacity (engine) that helps to produce organisational outputs (transportation), but only if the environment (road) enables it.'

Performance should be measured by the results that an organisation produces, although it is practically difficult to attain accurate information for measurement purposes. One option that can help to measure the results is to focus on simple temporary results or internal processes that are widely accepted to be preconditions for outputs.

Merit staffing

From the perspective of the assembly line, or the organisation as a whole, it is clear that the decisions of those on management positions are crucial for the performance of the organisation. Decisions on hiring, firing and promoting are some of the instruments that the management has at its disposal. From a rational point of view, suiting the scientific management approach, these decisions have to be based on merit principles. Only those with the adequate skills and qualities have to be appointed and promoted. Those with less quality should be fired.

From this starting point organisations develop their management systems. The management systems based on merit can be divided into 'career systems' and 'position based systems'. In career systems, the objective is to ensure that initial entry to the civil service is based on the knowledge of the candidates, generally indicated by a relevant university degree or academic credentials (Therkildsen & Tidemand 2007). Subsequent mobility and promotion allow movement within the civil service. In position-based systems the emphasis is placed on selecting the best-suited candidate for each position to be filled, whether by external recruitment or via internal promotion or mobility. On the other side, the closed career systems make appointments through promotion from within the civil service. However, the position-based systems allow more open access, with lateral entry being relatively common.

The merit based staffing can be assessed in two ways. Narrowly considered, it typically includes educational qualifications and work experience. But, if it is broadly defined, merit typically includes criteria like professionalism, integrity, and political impartiality (Therkildsen & Tidemand 2007). These concepts should be used without unnecessary rigidity.

Trust and patronage

When one thinks through the model of merit, it becomes clear that it has its disadvantages. Using employees as a tool within the organisation and hiring and firing on the base of performances does create a sphere of mistrust. It might even cause revolt among the employees who feel unrewarded. This can ultimately hamper the performance of the entire organisation. Therefore, from the perspective of the manager, sometimes it is better to invest in human relations instead of the performances of the subordinates. Human relations are based on trust: Mutual trust from the manager and the employee. Trust can pay off in the long term. Hiring and promoting on the base of trust ensures the manager of support from his subordinates.

A government operating under diverse and often conflicting conditions has especially good reasons to look for staff that are both loyal and sympathetic to its visions and are a part of relevant networks. This might even oust the more rational criteria of education and skills. With these requirements, staffing is more based on patronage than on merit. It has a rationale since it ensures support; both for the manager and (sometimes) for the public policy. Nevertheless, the negative connotation is also clear: Patronage has the danger that it results in hiring marginally qualified people, waste and corruption; and the potential loss of certain constitutional rights by employees (Roback & Vinzant 1994).

Despite this negative connotation, patronage is not always that bad. For example, the staffing of the US government officials and the White House personnel are based on patronage. This, in return, ensures support from various stakeholders. Patronage comes in several shapes and sizes and can impact a personnel system in a number of ways. This includes dismissal, hiring, promotion, recall or transfer of public employees on the basis of sponsorship by a patron; rather than through neutral competition among candidates based on their competence, abilities and qualifications. Thompson (as cited by Roback & Vinzant 1994) classified political patronage into two broad levels: The first level is ‘partisan spoils’ which involves dismissing current employees and appointing party-supported candidates, primarily on the basis of party membership and political connections, in order to maintain the electoral machine that awarded supporters and lead to possible electoral victory. The second level is ‘leadership politics’ which focuses on top policy positions so as to place loyal people, with an intention to promote bureaucratic accountability and responsiveness to the agenda of the elected officials, in leadership positions.

In this context, Roback & Vinzant (1994) assert that the more high level positions the elected officials can fill with their people, the greater the chances of influencing the career bureaucracy.

Hence, the tension between merit and trust is obvious. There are arguments to found the management system of a public organisation on merit, though there are also convincing arguments and incentives to use trust as a main base for management decisions. The case of Kilimahali District illustrates this tension.

Staffing at Kilamahili District

Open Performance Review and Appraisal System (OPRAS)

The main management tool in governmental organisations in Tanzania is the Open Performance Review and Appraisal System (OPRAS). OPRAS is a tool which is used in all public service institutions to assess performance of an individual employee by aligning the objectives of the individual employee with that of the department/division/ unit/section and to the objectives of the organisation. OPRAS replaced the Closed Annual Confidential Report System (CACRS) which was used before in order to assess the performance of employees in the public service institutions (Bana 2009).

This system attempts to link increased managerial freedom with increased emphasis on outputs. OPRAS is categorised to be based on the principles of the merit system since only measured output and performance can be used when making management decisions. This requires public organisations, managers and employees to work to performance targets and output objectives that define individual tasks. Rewards for performance can then be linked to achievements of individual employees. OPRAS links performance review to tenure, promotion and other processes, which have previously been the means by which staff have had their performance evaluated. The system evaluates performance against objectives.

Clearly stated, OPRAS is a management by objectives system which is undertaken on an annual cycle. Normally, it involves a planning and a review phase. It requires a plan to be agreed by the staff member and the supervisor in an open discussion. Each member of the staff has to set his key result areas and performance objectives. Key performance indicators have to be formulated to measure performance against objectives in the key result areas.

In order to bring out the expected results of OPRAS, there must be a review phase in which a formal assessment of annual performance is made and in which an identification of staff development needs and resource commitments are also made. At the end of the cycle, the organisation manager uses the assessment of performance to inform ‘performance related decisions’ about performance pay, incremental progression, promotion and unsatisfactory performance.

Kilamahali District

Kilamahali District is among the oldest but backward councils in Tanzania in terms of service provision. This district copes with a severe scarceness of means. Kilamahali is highly dependent on central government and donors' contributions in its recurrent and development expenditures. The council has a total of 2041 employees that includes the Council Director, Heads of Departments, Office Supervisors and other staff at operational levels. The council started to implement OPRAS since 2004. For the aim of this study 102 employees from all cadres were interviewed to assess the effects of the merit-based OPRAS system. The actual impact of OPRAS and its merit system is described in Mr Bopa's point of view:

Mr Bopa

Mr Bopa is the Principal Human Resource Officer who is a vested legal power in ensuring that all employees at the district are working to their optimal capacity while making effective utilisation of scarce resources. Apart from remuneration, Mr Bopa is aware that staffing by basing on merit principles has great contribution towards boosting staff morale and commitment. Within this area, we see how the merit principles are also considered throughout his conduct in relation to OPRAS management, hiring, firing, transfer and promotion of staff at the council level.

Mr Bopa, as employing officer, said that the staff's views on OPRAS were ambiguous. Some of them indicated that management decisions based on performance is sometimes 'unfair'. This dissatisfaction is most clearly expressed by employees who perform below average. Perhaps OPRAS, therefore, is most suitable to employees who already do relatively well, and is unsuitable to poor performing employees who regard OPRAS as part of western culture that has nothing to do with African culture.

On the other hand, Mr Bopa pointed that the reward of well performing staff is an acceptable principle. However, one of the complaints about the OPRAS is precisely that it is not (yet) clearly linked to a system of individual rewards. The main problem with performance management from a staff point of view is one of 'fairness' in the size of rewards offered and in the credibility and trust in the systems used to assess staff performance. Mr Bopa revealed that such views sometimes reduce employees' morale to do better in their work.

Management decisions

Hiring of staff

Mr Bopa said that human resource management (HRM) in the public sectors of Tanzania is in transition from a previously fairly centralised system to a more de-

centralised one. This contributes to fairly complex HRM-systems in all local authorities including Kilamahali council. On the side of recruiting (hiring) local government staff, the task is simple compared to private sectors since most staff consider the public sector as a realistic option. Although almost all of them complain about the poor pay in the public service, they still work there since job security in the private sector is regarded as poor. This is, of course, well known. Poor staff management in private firms often magnifies this insecurity. Most companies are owned and run by one person or family. Employees are therefore directly dependent on their personal relationship to the owners for their job security. The absence of strong labour unions amplifies the insecurity hence most staff do not prefer to work in private sectors.

The demands on worker's time are regarded as higher in the private sector than in the public sector. Nearly all employees (96%) who had worked in the private sector earlier, revealed that pay in relation to demand is often more favourable in the public sector. The female staff regarded this as a major advantage as it gave them better ways to attend to their families and children and sometimes gave them access to networks of influential people (and potential customers) who could be very useful in running their private economic businesses while in public service. Employees, under Mr Bopa's management, enjoy such a clear attraction of public sector employment.

Talking on the merit principle for organisational performance, Mr Bopa mentioned that the criteria for assessing merit in hiring employees' were based on the staff's personal experiences and academic qualifications. The vacant posts were to be advertised and open for all qualified and interested candidates. Mr Bopa and his subordinate were to shortlist the applicants, based on their experience and qualifications, and then would arranged for interviews. Those who were successful in the interviews were then to be offered employment at Kilamahali council.

The study realised that only 57% of employees who were interviewed said that they received their job based on written applications. They said that some staff were hired on the basis of favouritism and some of them didn't not even apply through the normal procedures. Sometimes, the vacant posts were not on time and ineffectively filled. For instance, 52% of all responded staff disagreed with the statement that 'vacant posts are filled timely and effectively'. Such practices discouraged them to work hard since most of the favoured employees were also given supervisory positions as soon as they were hired and when vacancies were reported to the management, it took a long time to be filled, and when filled, they were accompanied by favouritism. Mr Bopa was said to be the source of such evil, especially by favouring his relatives and frequently, the elected officials and councillors filled the vacant positions with their people who mostly held supervisory positions, regardless of their levels of education and experience.

When the question of why Mr Bopa did not or did not always use the merit system when hiring staff was raised, the answer was simply that he was interfered by the elected officials (councillors) and other top officials. Sometimes, even executive officials from the central ministries interfered by attaching 'memos' instructing Mr Bopa to consider their candidates during interviews and even offering them direct employment at the council. Mr Bopa was not the only one who was choosing the people who were to be employed and who were not to be employed. Apart from political influences, at the end of the process, it was the council that made the decisions, based on the proposals of Mr Bopa.

Mr Bopa even mentioned an example from 2006 where the council rejected his proposal just because he did not include the names of those candidates that some councillors, including the mayor, wanted to put forward for direct employment, though they did not possess the required minimum entry qualifications. Mr Bopa was totally embarrassed in that meeting and some councillors went as far as to accusing him of corruption because of some of the candidates that he proposed to be employed. What Mr Bopa suggested here is that the government is supposed to take measures to reduce the political influence in hiring, firing, transfers and promotion of staff.

Firing of staff

Mr Bopa admitted that the loss of staff through death (mainly by HIV/AIDS) is five times greater than through retirement. Thus, the pandemic already had a major impact on HRM in the public and private sectors. However, Mr Bopa was blamed for taking disciplinary actions and sometimes firing those who misbehaved. Employees were more critical of the way that staff discipline was managed. About 41% agreed with the statement: 'nonperformers are rarely disciplined,' just as they express some dissatisfaction with the timeliness and effectiveness of disciplinary measures.

In this aspect, Mr Bopa admitted that he had a hard time in taking corrective measures against disgruntled employees; especially if they were relatives of his own, of the councillors or other top government officials. He openly said that even when the grounds were clear for sacking such employees, it became very difficult to do so for fear of been victimised for his position by the political officials. The worst thing with this contention was that the hard working employees got disappointed and even discouraged to work hard in their positions. As though that was not enough, the hard working employees – who, incidentally, had no political or top officials to defend them – got easily victimised and fired for even very minor mistakes compared to non-performers.

Some employees who were interviewed told an interesting story about how disciplinary matters were dealt with under Mr Bopa. In June 2007 and September

2008, three Mtaa Executive Officers and one Account Assistant were dismissed from work simply because they were so strict in keeping to their work's ethics that they refused to misuse the resources for the benefits of the councillors and some political officials. To make matters worse, in May 2009, two Revenue Collectors were awarded and promoted for being the best performers in the council, simply because they were submitting 50% of their daily collections to a certain top decision-maker of the council without missing even a single day in a year.

Transfers of staff

Mr Bopa stated clearly that transfer of staff is implemented within the council on merit basis as a tool to improve performance of individuals and the council at large. In some cases, individual staff may ask for transfers on basis of health and family problems, such as joining their spouses or living near medical centres for treatment. Of the staff, less than 49% indicated that they had been transferred. The rest indicated that they had not yet been transferred from their duty stations since they were first employed. The transferees experienced this less than twice during their work life and they were more often transferred by the authorities than on the basis of their own request.

Mr Bopa said that the transfer of employees is normally done to make them not be used in one place for too many years, something which may reduce their efficiency and effectiveness in performance. This statement could bring more value if a good number of employees could support Mr Bopa's statement that transfer of employees is done on merit basis.

Opposing to this statement, a good number of interviewed employees complained that there is favouritism and nepotism in transferring employees. Staff who provide something and those who are well known by the top officials, as well as by Mr Bopa, are transferred to good town centres and those who have no referees are normally placed in the peripherals of the council. Therefore, most staff members were not sure why Mr Bopa chose to leave some employees at the same work station for more than five years while others were transferred from one work station to another every two or three years while benefiting from transfer and disturbance allowances.

Promotion of staff

Mr Bopa is the person responsible for the promotion of staff at the council. Also promotion, according to Mr Bopa, depends on the performance of the individual employees. Such performance is measured through OPRAS. Mr Bopa said that there are many challenges in the process of promoting staff basing on Open Performance Appraisal System. Approximately 34% among 102 interviewed staff revealed that they have been promoted more than twice in their careers since

their first appointment at Kilamahali council. However, they stated that their promotions were based mostly on seniority and time they stayed at the council and that most of them were not aware of OPRAS as a tool for performance appraisal. This again attracted more attention in finding out more about OPRAS in relation to promotion.

A major objective of performance appraisal through OPRAS is to link the goals of the employee with the goals and mission of their work unit, and through the work unit, to the overall mission of the organisation. This objective seems to be a complex process, requiring a lot of competency and skill. Because of this complexity, the organisation should provide training to develop the competency required and encourage members to participate in the program so as to attain the expected outcome of OPRAS.

Based on the detailed talk with Mr Bopa, it became clear that the implementation of OPRAS at Kilamahali council was difficult due to a number of reasons. One of the reasons was the organisational inertia: The council demanded too much and the timing was not appropriate. The second reason was associated with coordination failures: Inability to tie the right activities together to produce results. Plans were not comprehensible and even responsible people were not able to facilitate coordination of efforts. The third reason had to do with integration failures. Some activities did not come together at the end and were not aligned correctly to unit targets. OPRAS did not reflect what one was routinely doing, including in the job description. Finally, there was a lack of skills and a lack of supervision. Employees were not doing the right things, according to the directives that were given to them by their supervisors.

Apart from Mr Bopa's revelation, a large number of staff said openly that they normally heard from other people that the performance of employees was to be assessed using OPRAS but that they had never used to OPRAS before at all. Some of them said that they found it very difficult when they were told to fill out the OPRAS form without guidance from their supervisors who seemed to have no or very little knowledge on how to make OPRAS operate the way it was intended. An interesting question here is: 'how was merit based promotion done at the council if those who are supposed to use and to supervise the use of OPRAS did not know how to set assessment standards for their subordinates?'

On the other side, Mr Bopa was blamed for demoting some staff on questionable grounds. Nearly 13% indicated having experienced a demotion or having been delayed a promotion due to bureaucratic and politicking the promotion procedures. Instead of working to maximise their output for public interests, the demoted staff showed signs of mistrust for Mr Bopa and his team and they had little or no morale to work at all. This resulted in a decline of organisation perform-

ance as well as service delivery to the public. At the end, the public resources failed to benefit the majority rather than being confiscated by the few who were directly linked to Mr Bopa's channel.

Conclusion

With this picture, we get to know how OPRAS is managed at Kilamahali District. One can be convinced that the public sector reform programs implemented across Africa, such as OPRAS, are based on the assumption that all public organisations' cultures are inefficient. This assumption is problematic and has had significant implications for policy implementation. By failing to recognise that not all western imported cultures can easily be adapted in Africa, we ignore any potential lessons that could have been learnt from the experiences of organisations that have managed to perform better under the same African social, political, economic and institutional environment, and from the organisations that have failed to perform better after trying to adapt Western style of management programs. It should be known that the performance of an organisation is influenced by the culture within the organisation – which results from the ways in which organisations adapt to their external environment and the ways they ensure internal integration. Some organisations develop cultures that support, encourage and reward high performance; whereas others adopt a culture that perpetuates poor performance. Thus, public-sector reforms must be viewed as changing, or in some cases sustaining, organisational culture.

Questions

1. Explain the advantages and disadvantages of both a management system based on merit and a management system based on trust.
2. To which extent does OPRAS reflect the merit system or the trust system?
3. To which extent do the decisions made by Mr Bopa reflect the merit system?
4. What do you think is be the best way to make OPRAS work in situations similar to Mr Bopa's organisation?
5. If favouritism and nepotism form part of a patronage system that limit the implementation of the merit based system,what then, in your opinion, can be a right approach that Mr Bopa could have used?

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12

Leadership

Cliford J. Ringo

> 'Since people tend to follow those who, in their view, offer them a means of satisfying their own personal goals, the more managers understand what motivates their subordinates and how these motivations operate, and more they reflect this understanding in carrying out their managerial actions, the more effective they are likely to be as leaders.' (Koonts & Weihrich 1984)

Introduction

An organisation is almost, by definition, built up of sub-units. These sub-units can have many names: Departments, sections, divisions or even districts. The larger the organisation grows, the more the need of coordination between the functional and geographical sub-units of the organisation. The need of coordination within organisations requires unusual qualities of inspiration and direction within the management of these organisations. This has triggered a new emphasis on leadership as being one of the major administrative skills in organisations (Pfiffner & Presthus 1960).

Leadership is a principal mean of overcoming program fragmentation and correcting the weaknesses of any organisation. According to Wart (2008: 23), leadership is a complex process involving numerous, fundamentally different types of act:

> 'Leadership is technical competence and achieving results, working with and through people, making sure that the organisation is in alignment with the environment, and making sure there is appropriate and consistent adherence to the organisation's norms.'

This chapter is on leadership styles and focuses especially on the factors that make a leadership style effective. Every organisation differs when it comes to its values and goals. The most effective style of leadership involves having to adopt

to these different characteristics. In this chapter, the concepts of leadership styles are firstly explained, then they are illustrated by taking the case of Monoko.

Leadership styles

Management and leadership

Leadership and management are two different concepts. Management and managers are more or less a *formal* indication of the group of people responsible for managing an organisation. Leadership is something else: It is the substantive quality of these people to be able to lead the organisation (Gupta 2009; Shafritz *et al.* 2009). Leadership is not restricted to just these groups of officials. Koonts & Weihrich (2007: 313) point out that every group of people that performs near its full capacity has some person as its head who is skilled in the art of leadership. These skills seems to be a compound of at least four major ingredients: (1) the ability to use power effectively and in a responsible manner, (2) the ability to comprehend that human beings have differing motivation forces at different times and in different situations, (3) the ability to inspire, and (4) the ability to act in a manner that will develop a climate conducive to responding to and arousing motivations.

Effective leadership

The question on how to ensure effective leadership in both private and public organisations is widely discussed in literature on management and administrative studies. The answer is quite often a categorisation of styles of leadership. Different authors come up with different categories of these leadership styles. The categorisation can use different variables. Wart (2008) sees the characteristics of the followers being led and the nature of the work being performed as two variables that result in different leadership styles. If the followers are more professional and the work that has to be done is not easy to reconstruct, the leadership style is almost by definition more reluctant and based on motivation. After all, the leader is not capable of re-doing the job his subordinates have to do.

In the situation where the followers don't have specific skills and are in principle more exchangeable, the work will be better controllable. The style of leadership in these situations can, and will be, more of command-and-control.

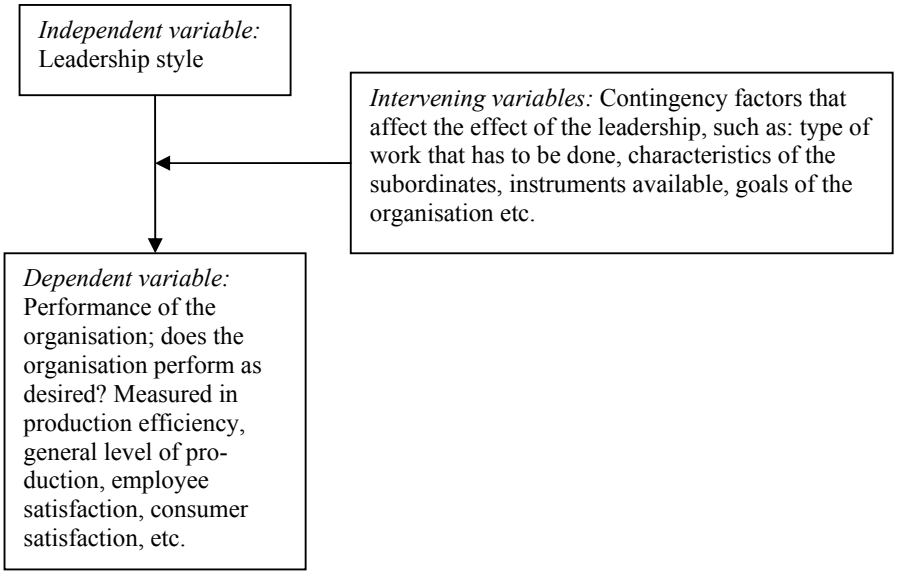
This dichotomy is relevant, regardless the public or private nature of the organisation. After all, both public organisations and private organisations can produce mass produced articles. Granting drivers licenses or passports is not that complex. Producing a car in mass production is, at least, not less complex.

The difference between public and private organisations is relevant when it comes to the *instruments* and *goals* used by the leader. In private organisations, contracts are often used as a mechanism, whereas market-driven needs and prof-

its are seen as motivation goals. In a public organisation, the legal use of force is the main instrument and the motivation goals are serving the public interest. These are two factors that will affect the leadership style. In a public organisation there is limited room for using financial incentives. Well, at least not at the same level as a private organisation.

One could put these factors in a causal-chain model that analyse the effects of the leadership styles. In this model, the leadership style is the independent variable. According to Wart (2008), leadership styles include all behavioural variables exhibited by the leader. The effect of each of the leadership style (the dependent variable) is determined by the intervening variables of the 'contingency factors'.

Figure 12.1 A generic causal-chain model of leadership



The effects of leadership styles depend on the contingency factors. There are many contingency factors that can affect the leadership. The most important factors are related to characteristics of the organisation. The leadership style depends on, for example, the role of each and every member of the organisation and their tasks. Another factor is the structure of the organisation and the question of whether or not the exact powers within this organisation are clear. A second group of factors is related to the tasks of the organisation: What is it exactly that the organisation produces? And finally, there are the contingency factors that are related to the environment of the organisation. A critical environment results often in a very tight, hierarchical organisation. The best example is of course the

army. This organisation has to act by definition in a critical environment. It is, therefore, no wonder that the most effective leadership style is one of 'command and control'. There is simply no room for discussion or motivation speeches if a division is under fire.

Categorisation of leadership styles

Leadership styles have been classified differently by different scholars (Gupta 2009; Wart 2008; Adamolekun 1983; Koonts & Weihrich 1984). Adamolekun (1983) classifies leadership in two broad styles: Authoritarian and democratic. According to him, a manager who combines all forms of organisational power is using an authoritarian leadership style. The manager who shares power and responsibilities with others adopts a democratic leadership style (Ademolekun 1983: 195).

The democratic or participative leadership style is also mentioned by Jain (1986). He states that under this kind of leadership style, decisions are made through discussions and consultations with subordinates. Thus, leaders seek the guidance of their subordinatesfor making decisions that affect them, they work to obtain a consensus from them, they consider their feelings, they share information with them and they try to create pleasant working relationships.

A second categorisation of leadership styles is introduced by Chandan (1987). He distinguishes an autocratic leadership style. An autocratic leader keeps the decision-making authority and control in his/her hands and takes full responsibility for all actions. He/she structures the entire work situation in his/her own way and expects his/her subordinates to follow his/her orders. The authoritarian leader does not tolerate any deviation from his/her orders. Autocratic leaders believe that their leadership is based upon the authority conferred upon them by some source, such as their (legal) position, knowledge, strength or power to punish and reward (Chandan 1987). The autocratic style is therefore an example of a strong top-down leadership (Locke 2003 in Wart 2008).

The opposite of autocratic leadership is a laissez-faire or free reign leadership style (Jain 1986; Chandan 1987; Gupta 2009). According to Gupta (2009), free reign leadership style involves complete delegation of authority. Subordinates take decisions themselves. A free reign leader avoids the use of powers and prefers to relinquish the leadership position. He serves only as a contact to bring the information and the resources needed by subordinates.

Both ways of categorising leadership are overlapping. Actually, one could argue that the second attempt to categorise types of leadership are excrescences of the neutral dichotomy 'authoritarian' versus 'democratic'. With regard to the authoritarian leadership style, it is not that difficult to pinpoint the leaders in Afri-

can countries who changed their style of leadership from democratic to that of an authoritarian who does not tolerate contradiction.

In organisations with a strong democratic, participatory style of leadership, we sometimes witness the opposite development. This kind of leadership sometimes develops to a free reign or laissez-faire leadership that paralyses the organisation. The examples of these kinds of organisations can be seen in former communist countries where an attempt was made to create really democratic organisations, like farmers communes. The result was that no crop was grown, since the equal members of these communes could not agree which crops would be better for the common interest.

Does autocratic/authoritarian leadership work?

When comparing the categories, one could argue that an autocratic or authoritarian leadership style is outdated or at least will not easily succeed. Autocratic leadership style often carries negative connotations as is typified by rigidity, the complete lack of input from others and the treatment of subordinates as replaceable parts. This strong, directive leadership was more common and accepted in the first half of the 20th century, until the 1960s. Famous strong leaders, such as Churchill in Great Britain, Roosevelt in the United States and Nyerere in Tanzania, show that strong leadership could be successful. In the 1960s, 1970s and 1980s this changed. There was a call for a more democratic leadership style. Authoritarian leadership became less and less popular.

Despite this fact, especially in times of crises, or when major changes are imperative, authoritarian styles may still be considered to be appropriate as a short-term solution (Wart 2008). An autocratic leadership style is effective when quick decision-making is required. In emergency situations especially, an autocratic leadership is still unavoidable. One can hardly imagine a fire officer holding a long meeting with his crew to consider the best way to fight the fire (Koonts & Weihrich 1984). Other examples are the outbreak of an epidemic disease, like cholera. In these situations one needs a leader to be autocratic and decisive.

Koonts & Weihrich (1984) further assert that managers may be autocratic when they alone have answers to certain questions. In such circumstance, directives and detections flow downwards. This style is pertinent when less competent subordinates are needed at lower levels or subordinates are uneducated and submissive. Lack of experience and knowledge of the subordinates make it necessary that the leader takes the decisions (Gupta 2009).

There are some pitfalls of using an autocratic style. Autocratic leadership easily leads to frustration and low morale amongst the subordinates. Due to the fact that the subordinates have little to no leeway to decide themselves, they might avoid any responsibility or initiative. This hampers creativity. It is also hazardous

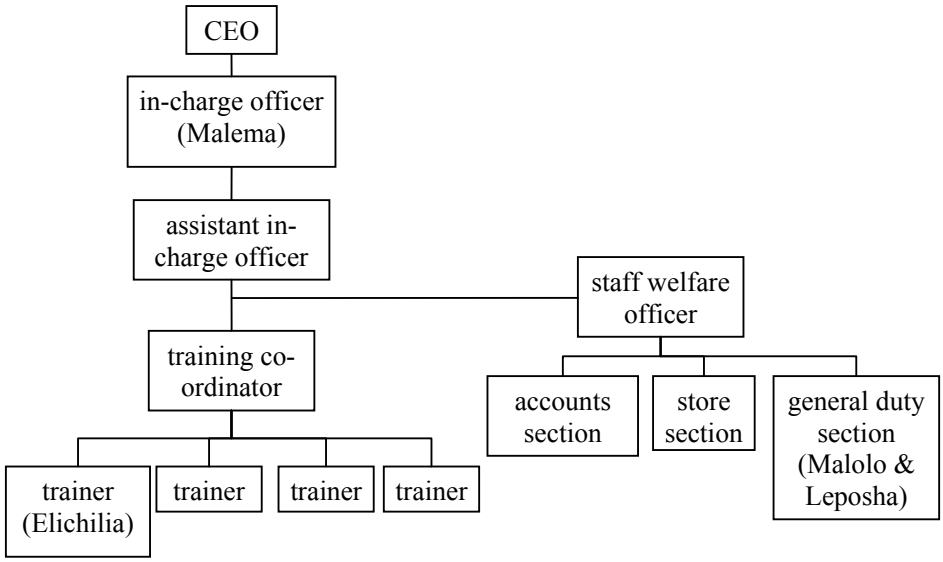
since an unexpected absence of the leader will leave the organisation out of control (Gupta 2009).

Leadership practice at Monoko

Introduction

The case that illustrates the effects of leadership takes place in a training unit in Monoko. Though the names are fictitious, the case is based on a real story on this unit. The training unit is part of a larger army department. The main function of this unit is to provide in-house training to the staff of the army department. Figure 12.2 shows the organisational chart of this unit.

Figure 12.2 Organisation structure of Monoko



Mr Malema, the in-charge

Mr Malema is the in-charge officer in this facility since 2006. He is a very smart guy and very serious when dealing with official businesses. He was even nicknamed an 'iron face' due to his seriousness. You will seldom find him smiling while in office. He is also very decisive. When he makes a certain decision, that decision is final.

Some of the employees are of the opinion that Mr Malema's behaviour is typical military. He acts as a military officer. His decisions are orders and discussion is out of the question. Others say that his behaviour is typically a replica of that of his predecessors. They say that Mr Malema resembles a kind of leadership the

organisation had two decades ago. One of the employees said that what Mr Malema was doing was exploiting the legacy of the autocracy the organisation inherited since the independence of Tanzania in the 1961. Another employee remarked:

> 'let us not waste the time discussing impossible issues. All military-oriented industries are synonymous in terms of the behaviour of their administrators, their language and their organisation methods. Monoko can't be an exception.'

Mr Elichilia, a trainer

At Monoko there are many interesting stories about the way the administration of the unit of Malema is conducted. Mr Elichilia, a resident tutor working within the unit, has many of these stories. Mr Elichilia started his long story to support his allegations:

> 'Listen, are you aware that nowadays only one third of the incoming mails are forwarded by the in-charge to the 2nd in-charge? And in fact, these mails are of less importance! The mails of great importance will never reach the 2nd in-charge's office. Remember that day we had visitors from USA. The 2nd in-charge was not even informed about that delegation. Much worse: He was not aware of the collaborations which were to be implemented soon between the two.'

He went on:

> 'Not only that, but also in-charge is the source of inefficiency at Monoko. Look at the two persons, Malolo and Leposha. They were the most committed employees in this organisation but today they are totally frustrated! The source of the lack of commitment was a delayed communication of their scholarship information from the headquarters. This rendered to forfeiture their chances which were guaranteed.'

Actually, this is not an exception according to Elichilia. There are several individual personal files which have been locked in the cabinet of Malema. Some of these files are brought to him for urgent attention but to him the connotation is just the opposite. Malema has his own priorities.

What demoralised Elichilia the most is the way that the staff's problem solving mechanisms were working. In 2007, the unit had about 350 members of staff and about 300 trainees could enrol for the courses offered. The staff were working under poor working circumstances, due to poor working equipment. At the time, the trainees were enrolled, the situation worsened, of course. There was an outcry to invite the Chief Executive Officer (CEO) of the department, the direct boss of Malema, to sit with the members of the staff and discuss the problems. Again, the in-charge of the unit was not willing to accept this option. He rejected this on the allegation that the CEO had a lot of national issues to deal with and should not be bothered with these minor issues.

The meeting with the CEO

Only under great pressure did Malema seem to concede. He ordered that the names of all the employees who were proposing the invitation of the CEO to be registered. These employees were also ordered to draw up an agenda for the discussion with the CEO. The discussion was planned on the eve of a farewell ceremony for leaving trainees who were about to finish their training. The CEO of the department was invited to make it more special.

This order did not obstruct the dissatisfied employees. Elichilia remarked:

> 'This was in fact not a difficult job. I was the first person to jot down my name on a piece of paper and when others followed by enlisting their names, I was busy collecting and writing the agenda of the meeting. Only 21 staff members showed up. Others were not willing to register their names for the fear of the consequences. After all, the threat of being transferred to a very remote area or being denied some privileges was realistic. This could be the revenge for participating actively in a movement the in-charge was not really supporting.'

On the day of the meeting, the ceremony started as usual, following the usual protocols. It was a vivid ceremony which attracted various officials from different governmental and NonGovernmental Organisations to the city of Dazluum. Various journalists, from both public and private media organisations, were invited to cover the ceremony. Formerly, the ceremony ended after the guest of honour has aired his speech.

When the ceremony was about to end, the announcement was made that the staff of Monoko should remain seated after the ceremony, while the others were dispersing. This announcement was hailed with cheers. Elichilia remembered having the general feeling that the outcry has reached God's ears. Some of the employees were less hopeful. Right after the announcement, one unhappy brutal sound lingered in the air with cautious the caution: 'don't applaud this early, let's first see what will happen, because it might be an answer from the devils!'

The meeting started with a welcoming note from the Mr Malema. He thereafter invited the Chief Executive Officer of the department to talk to the staff. The chief hesitated:

> 'I am not here to preside over this meeting, but I would like to hear from you what is bothering you. I think you have a lot to share with me.'

He then sat down, awaiting the response of the employees. At that time, there was first a dead silence. The members of the unit were puzzled about the genuine reasons of this reserved attitude. Mr Elichilia was the first person to speak. He started by complaining about bottlenecks in communication within the unit and between the unit and other bodies. He added that staff affairs are not communicated in time to the persons involved, with the result that these persons were denied their rights. He explicitly referred to the cases of Malolo and Leposha.

The group with employees was still silent, but this time due to amazement. The explicit accusations by Elichilia was both courageous and hazardous.

Malema, the in-charge, who was addressed by these accusations, looked firmly at Elichilia, barely able to hide his anger. He couldn't believe that the meeting would end up in an attempt to crucify him.

Elichilia continued:

> 'There is unnecessary bureaucracy in communicating in this organisation. It takes a couple of weeks before information reaches the boss, while actually this information cannot last another day. The hierarchies are excessive! Those whom are delegated authority are not working effectively. They are not involving their subordinates as ordered by the ministry which is housing this department. This is what is draining our commitment and morale!'

Elichilia pointed at the high turnover rate of the staff of the unit. Many fresh employees leave within a year. Elichilia blamed this due to the tough communication within the organisation. Many problems expressed by the trainers and the lower employees do not reach the level of the in-charge, but have to be solved by intermediate supervisors, who are unable to solve them. He then finished his plea:

> 'Boss, regain our confidence through streamlining communication channels within our organisation, especially upward communication. If this will be implemented, the department will be a nice place for everybody to work.'

After these words, the group cheered and applauded for a couple of minutes. It did not take the CEO too long to make up his mind. In a reaction to Elichilia's accusations, the CEO explicitly blamed the in-charge in front of his employees. The CEO warned that a leader must open the door to receive information of his subordinates and try to work on the problems that these employees raise. He added:

> 'We are no longer in those old days where you live by issuing directives; today the world has changed. Look, more than 50% of our staff are intellectuals. Can you always drive them by orders? Don't you think that there are some areas where you can deliberate over the strategies to get something accomplished without having to boss someone around? Please assist me, otherwise it will reach a time where we will find ourselves having only two-thirds of the staff you see here.'

Questions

1. Explain the differences between an authoritarian leadership and a democratic leadership style.
2. Under which circumstances is an authoritarian leadership style effective?
3. What are the characteristics in the case of Monoko to conclude that the leadership style of Mr Malema is autocratic?
4. Why do you think Mr Malema opted for this leadership style?
5. Why would the type of leadership practiced at Monoko be relevant for the protest by his employees, led by Mr Elichilia?
6. What are the characteristics mentioned by the CEO to opt for a more democratic style of leadership?

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13

E-government and e-governance

George Bea & Edmund Matotay

Introduction

The computer is a necessity for any organisation. Public organisations and governmental agencies are no exemption. The use of electronic tools such as computers provides opportunities in the sense of easy communication, transparency and accountability. On the other hand, electronic governance marks a far-reaching change in the way traditional bureaucracies, like governmental organisations, function, both internally and externally in the communication with politicians and citizens. Due to the ICT tools, traditional hierarchies seem less relevant and since all information is easily available, a new strategy is required to canalise this information.

This chapter deals with the effects of ICT on governmental agencies and the way they perform their tasks. The concept that is described is the concept of e-government and e-governance. This concept is then illustrated by the case of Kinondoni Municipality.

E-government and e-governance

Definitions

E-government and e-governance are two interlinked terms, though the exact meaning of the two is slightly different. The e- refers to the influence of electronic tools, like computers, applications or the internet. The exact influence of these tools can differ from a rather simple database system that can be used to collect and unlock data. An example is a database with all the information on income of every citizen within a certain area that can be used for tax collection or

the administration of students' details, including their marks and paid fees. These are rather easy databases that function as an instrument to facilitate public servants, like the tax payer or the administrator at the university, to do their job.

More complex systems are the electronic systems that receive their information from somewhere else. As an example one could think of information of immigration services which is often spread throughout the country, to other public agencies, like police forces. The complexity lies then in the technical problem that the received information has to 'fit' in the local database. Quite often this might require a translation of the information from one database to the other.

A third example is the use of electronic tools within the government, between departments and mother ministries or between individual public servants and their head of departments. The central ministry for example asks for information on the performances of schools or health facilities. This information is gathered through forms that are entered in an electronic system. This makes it possible to verify the actual state of affairs, to compare the condition of these facilities throughout the country, etc.

These examples show a distinction between e-government and e-governance. E-government refers to government's use of ICT to work more effectively, to share information and deliver better services to the public more efficiently. E-government is then a mean to increase the speed of delivery of services combined with reduction in costs' (Chadwick & May 2003: 5). E-government can be seen as the static situation of governments using electronic instruments.

E-governance is the actual *use* of these instruments. This refers to the relationships between citizens and governments, both from government to citizen and from citizen to government (Pathak *et al.* 2008: 3; Pathak & Prasad 2006: 435), and the effects of electronic instruments on these interactions.

In general, e-governance enables governments to broaden the involvement of citizens and their participation in government's decision and policy making processes. It also enables governments to provide better and faster services, extend their outreach and access even the remotest of areas (Alampay & Umali 2007: 6).

A general model of governance

Governance can be seen as the accumulation of interactions between three domains or spheres. These three spheres are the societal sphere, the political sphere and the administrative sphere. Between these three spheres, mutual relations exist. The foundation is the mutual relation between the societal and the political sphere. The members of society transfer their power to identified individuals that make decisions on their behalf. In return, the latter are accountable to the society. This relation is based on trust and accountability.

The actual implementation of decisions and the actual provision of services to the society are done by the administrative sphere. These are the public servants that make the day-to-day decisions in the light of public interest. The administration receives their orders from the political sphere. They are therefore answerable to the politicians. On the other hand, without mutual consent on the means and goals, it is impossible for politicians to implement a certain decision. Therefore, this relation between the political sphere and the administrative sphere is also mutual.

Finally, the relation between administration and society. As said before, the administration delivers the services to society. In return, the society provides support. This support can be financial, like paying taxes, or less visible, like obeying the laws.

Effects of e-governance

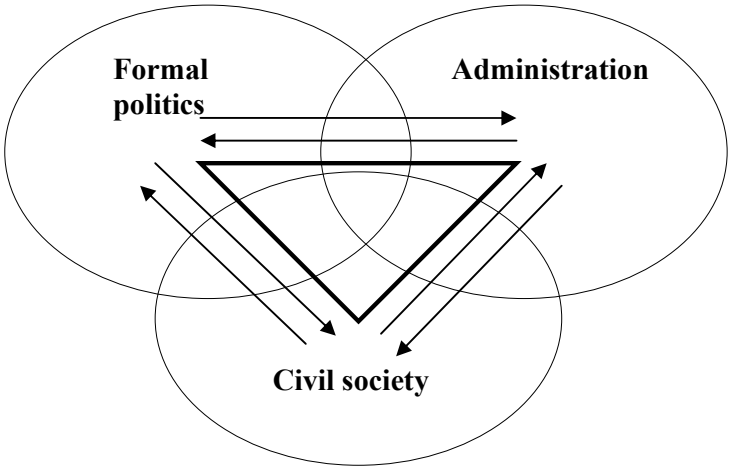
The use of electronic instruments changes the relations between the three spheres. The relation between the civil society and the political sphere changes since citizens can get access to their politicians using other, more approachable means, like sending an e-mail. Politicians can also easily communicate their actual decisions and plans, for example by sending electronic newsletters, or writing on a blog on a website.

The relation between administration and society also changes. On the one hand, one could expect that the service delivery by the administration is more efficient and based on more accurate information. Sometimes, it might be even possible to approach the administration using electronic routes instead of physical, like filling out a web form to apply for a license or to enrol in a course at the university.

And finally, the relation between the political sphere and administrative sphere also changes. ICT makes it possible to gather information on actual effects of policy. Politicians therefore can make better informed decisions.

In the model in figure 13.1, the arrows indicate relationships in terms of two way communications between the spheres (Grönlund 2004: 20). E-governance facilitates these relationships. The model indicates a two way communication between the spheres. This is also one of the major pitfalls of electronic technology. For instance, if a member of the civil society sphere sends an email to his representative (politicians, like councillors in the political sphere); it is not guaranteed that they will receive feedback. That will, in the end, harm the mutual relationship between these two spheres.

Figure 13.1 Governance model



Source: Grönlund 2004: 20.

E-governance in the long term

The wide effects of electronic instruments demand a profound consideration of all the effects when deciding on a new ICT project. In general, a successful e-governance project will integrate interests and modes of operation of all three spheres (DEMO-net 2005: 6). And even then, one could not easily predict the particular development path for a governance system. Recognition of the three spheres nevertheless provides a framework for making such predictions.

Despite this general remark, it seems rather inevitable that e-governance would result in, over time, a situation in which the administration would increase its influence over society and diminish the room for political weighing up of interests (Zouridis & Thaens 2002). The proposition is then that, e-governance results in a situation in which political systems gradually become more alike in different countries, as the communities, particularly due to the use of the internet, make national borders less relevant. Information is easily spread among citizens, making it less easy for governments to mislead their citizens and eventually perhaps even causing repercussions for: Either communities that use these means to gather, or other national governments. The revolutions in 2011 in Egypt and Libya give us examples of the relevance of this medium: Especially in the way today's generation identified the internet as an easy instrument for sharing their thoughts and for planning their actions to overthrow their governments.

Kinondoni Municipality e-governance project

Implementation of a pilot project in Kinondoni

Kinondoni Municipality is the northernmost of the three districts of the Dar es Salaam Region. Kinondoni Municipality started an e-governance project in 1999 as a first pilot project (Menda 2005: 2). This project was started as part of the nationwide public service reform programme which aimed at improving accountability, transparency and resource management for service delivery (Tanzania 2003: 7). Kinondoni was the first municipality among the 133 local government authorities to initiate this e-governance project. It was the COSTECH (Commission for Science and Technology, a government agency in Tanzania that initiated the project), while IICD (Institute for International Cooperation and Development, a NGO) provided computers for the project. For this project, about 256 computers were installed with most of them having access to the internet.

The main objectives of the project were to improve efficiency and effectiveness of service provision, revenue collection of taxes and to save costs. This case description on the implementation of e-governance in Kinondoni shows the changes due to e-governance.

Funding from the municipality

Funding was the most important factor that improved performance of the e-governance project in Kinondoni Municipality. The national ICT policy (URT 2003: 10) stated:

> 'Government shall annually allocate funds equivalent to a reasonable proportion of GDP for ICT deployment, diffusion and universal access.'

The aim of this precondition was to reduce dependence on donors' assistance and to enhance project's sustainability.

When the e-governance project was established, it received funding support and computers from COSTECH (Commission for Science and Technology), and IICD (Institute for International Cooperation and Development as stated above).

In 2000, the project was handed over to the Kinondoni Municipality. Thereafter, the municipality took over all responsibilities for funding, staffing and managing the project. The project was costly and received an earmarked budget of Tsh 170 million in 2006/2007; up to Tsh 180 million in 2007/2008 and even Tsh 200 million in 2008/2009. And despite the raising budget, the available means seemed to be inadequate, due to an even more increasing need for ICT services from the staff.

Support from top management and staff

The implementation of the e-governance project fully relied on the support from the top management and the staff within the administration. The support came from the two former municipal directors, Mr Berege and Mr Katanga. These two officials saw the need for the implementation of this project once the 'go ahead' decision was made and the politicians at the council did approve of the project.

Mr Katanga was very much interested in ICT and, as a result of his support; the implementation of the project was carried out smoothly. There was good co-operation between the internal stakeholders within the bureaucracy of Kinondoni Municipality and the external stakeholders, like COSTECH and IICD. As a result, these external parties could deliver adequate equipment, like computers, and training for the staff members. The results were high-tech infrastructure, including running software and the provision of management information systems. The hard ware consists of an up and running local area network with internet connectivity. These facilities were available throughout the administrative organisation.

The departments that could especially use an electronic boost, like the finance department (for collecting taxes and accounting) and the land section (land registration) benefitted from this project. In the earlier days, the finance department depended on manual registration. Within the e-governance project, the manual activities were computerised, improving the speed and transparency of service delivery. In the land section, the e-governance project made it possible to get access to relevant documents and files on the rights of land owners. The support from the management of Kinondoni Municipality was mainly based on the awareness that the old manual registration and processing of decision-making in these two departments would result in even more uncertainty and complains. This support is one of the major factors that improved the project's performance as it was observed that: 'highly supportive management at Kinondoni was a fundamental success factor for the project' (Cammi 2006: 14).

Commitment of ICT Staff

The implementation of the e-governance project caused a re-design of the organisational structure of the Kinondoni Municipality. The organisation needed public servants that were able to maintain and build a local area network with working computers. In case of computer defects, it was their responsibility to fix these problems. The success of the implementation of Kinondoni depended highly on the skills and dedication of these employees. The dedicated persons hired at Kinondoni Municipality to carry out ICT operations have improved the project's performance (Cammi 2006: 91). The need for training of local staff to work with computers is already mentioned in the national policy documents (URT 2003: 14):

> 'policy challenges involve developing remuneration, incentive package for the ICT skilled staff with a focus on retention scheme for skilled workers so as to move from brain drain to brain gain.'

Customisation of the systems

The management information systems were customised by an external consultant who designed the systems to suit the needs of the users. The systems were designed to show who initiated the payment and who approved it. Before the project, these activities were manually processed and were largely ineffective and inefficient. There was limited transparency due to limited free flow of information. The information was not available to the departments and sections that needed it to monitor the investments decisions. This made it difficult to conduct a strategic vision. The municipal strategic vision was impaired and the municipality did lack a long-term perspective on things like good governance and human development. These hampered the effective use of resources (Menda 2005: 2).

Results of the e-governance project

E-governance affects relations between politicians, administration and citizens. The results can be shown in the field of revenue collection and service delivery.

Improvement in revenue collection. At Kinondoni, the revenue collection increased almost immediately after the implementation of the e-governance project as shown in table 13.1. The revenue collection increased to 41% from 2006 to 2007. This is after the implementation of three different systems that facilitated the collection of Property Tax, City Service Levy and a Billboard Management Information System. These three systems which started working in 2006 are hosted in one program known as municipal Revenue Collection Manager (MRECOM).

The Billboard system particularly showed effectiveness of the ICT tools. The system made it possible to control tax evasion because it stored all the required details of each billboard, like the name of the owner, the ID number and the month in which tax payment is due. Due to this, taxpayers are paying promptly for fear that legal measures may be taken against them for non-payment. The fact that the details of the Billboard are known is an important factor for revenue collection.

Before the computerisation, revenue accountants were only able to collude with the Billboard owners. They reported less number of square meters of each billboard and therefore collected less revenue. The fact that these accountants had an individual relation with the citizens that was not easily controlled, it was possible for them to take some money for private means. This suspicion can be sub-

stantiated by the data from 2000 to 2005 in which increase in revenue has been very small and in some years negative e.g. in 2005. To control tax evasion, the Billboard system has been linked to a map system using the Geographic Information System (GIS), which facilitates easy identification of residential areas of those who have not paid their tax dues for tracing purposes.

Table 13.1 Annual revenue from 2000-2008 (in millions of Tsh)

Years	2000	2001	2002	2003	2004	2005	2006	2007	2008
Revenue	2515	2813	3971	4013	4212	4113	5633	7925	8804
Increase in %		12	41	1	5	-2.4	37	41	11

Improvement in service delivery. At the municipality, the service delivery improved due to the e-governance project, especially in the departments which were supplied with computers. These computers and their systems that manage the data (Legal Information System, Human Resource Management Information System and a Health Management Information System) have improved service delivery due to easy typing, printing and retrieval of information.

The Health Management Information System improved retrieval of data about histories of patients' diseases, which was cumbersome before the installation of the system in which manual system was used. As a result of the system, service delivery in the Department of Health has improved. The system enabled doctors attending patients in the field to directly feed the data into their computers when attending patients. After the exercise is over, the data about all patients attended by the doctor, drugs used and diseases treated can easily be printed out and sent to the municipality for further action. This facilitates decision-making processes and improves service provision.

Changes due to e-governance

Change of communication

The main feature of the e-governance project was the access to information. This was enabled because the municipality had networked a greater percent of its departments and sections which enabled permanent (24 hour) network availability and a global reach through the Internet (Menda 2005: 3). This has partly been facilitated by the municipal website (www.kmc.go.tz) which contained answers to frequently asked questions (FAQ). This has increased information flow to the citizens (Wescott 2001: 22). In addition, availability of information has reduced citizens' physical visits to the municipality.

The e-governance project has also improved communication between staff, citizens and their representatives. ICT therefore, yields many benefits, including faster responses to request and queries including outside normal working hours (Wescott 2001: 2). This was facilitated by another feature of the municipality website, that contains the email addresses of the councillors, municipal director, heads of departments and wards executive officers. The availability of the municipal website has partly increased political control over administrators on the one hand, and administrators control over junior staff on the other hand, because of relatively easy communication and feedback through electronic means.

As a result, the opportunity and scope for citizens to influence the decisions of politicians and administrators broadened due to reliable 24-hour, 7-days a week network availability (Menda 2005: 3). Currently, about 70% of municipal departments and sections have been connected to the internet.

Before the e-governance project, people used traditional methods of writing letters and making physical appointments. After the e-governance project took off, the majority of staff and citizens dramatically shifted to using email messages, computers and internet as a modern channel for communication. This concurs with the argument used by Tarman (2006: 1):

> 'in communicating with politicians, whether in government or their local member of parliament, citizens are using digital channels in greater numbers, and that for younger citizens, if they wish to actually communicate with a politician at all, doing so through a print communication or letter is something they may probably never do in their entire lifetime.'

Change of organisation

The procurement of more computers has necessitated the municipality to recruit additional ICT staff that assist in troubleshooting of computer problems. These staff greatly assisted in maintenance of computers, thereby enabling smooth operation of municipal activities. Moreover, the citizens have also become aware of the benefits of ICTs. The majority of them are currently aware about the application of the ICT tools and as a result, they don't accept manually processed receipts which created loopholes for cheating and misuse of public funds. This has partly been contributed by the municipal advertisement in the notice boards that citizens should not accept manually processed receipts to reduce loss of municipal revenues.

In addition, electronic preparation of receipts has also increased citizens' confidence in the accountants because they believe that whenever they pay their tax dues, nothing is being embezzled by the accountants. This shows effectiveness of ICT tools in managing information and in providing accurate data. The aforementioned benefits of e-governance projects concur with the argument of Menda (2005: 2) that

> 'E-governance facilitates more efficient and effective interaction between the government and citizens and between governmental bodies. In so doing, it promotes transparency and accountability as well as efficient and effective leadership across the government, in administration (the executive), the civil service, the parliament and the judiciary. Thus, e-governance can be a key to better government leadership, and consequently, a stimulant to rapid, successful and sustainable development in political, social and economic realms.'

Challenges

Every change has its drawbacks. This section contains some of the disadvantages of the changes and the challenges that Kinondoni faced after implementation of e-governance.

Low speed of the Internet. One of the most important problems Kinondoni faced is the problem with slow internet services. Especially during peak hours, when the majority of people are surfing on the internet, it becomes too slow to function. Due to these problems, the municipal server sometimes stalls. This server is located at the Commission for Science and Technology (COSTECH), about 6 kilometers away from the Kinondoni Municipality. The problem of a shared bandwidth which Kinondoni Municipality is using is that the Internet Service Provider may at times share it with other institutions without the knowledge of the using institution.

Lack of electricity and internet in some ward's offices. A second problem related to the infrastructure is the fact that not all ward offices, being the centres of the lowest governmental authority, have sustainable electricity provision. The ward office of Bunju, for example, is not attached to the electricity network. For effective implementation of e-governance, it is therefore necessary to invest also in basic infrastructure such as electricity.

Lack of computer skills for staff. Other problems are related to the staff. Some of them appeared to be lacking the skills in order to work with the computers. Not all staff members, but especially the older ones, were not able to work efficiently with computers. Also, the younger, newly recruited staff needed extra training to use the computers to support their work. For this, the municipality had to set up a training programme.

High investments when digitalising. Both the skills and the available resources are hampering the implementation of electronic instruments in some departments. These are the departments that have gathered lots of data on paper. One of the examples of these departments is the Administration Department. This department has not digitized/scanned certificates due to absence of big storage me-

dia that can accommodate certificates of all 6494 municipal employees. Data in the Marketing Section have not been automated because it does not have enough computers, while data in the Land Section have not been computerised because the Land Information System has not been purchased due to financial constraints. This is because the system was expensive for the section to purchase on its own budget as it costed more than Tsh 400 million. The fact remains that implementing e-governance asks for high investments; not only in infrastructure but also in training and maintenance.

The fear that computers will replace staff. The study on the implementation of e-governance in Kinondoni also revealed another interesting feature. Both citizens and staff members were afraid that the implementation of computers would result in a situation that staff would be replaced entirely. The comparison with some private sectors, like banks, show that some processes are taken over by computers. Clients are not dealing with a servant that is interested in the individual case, but are dealing with a computer or with a servant that is just applying software, not able to take into account the specificities of the individual case.

This fear is often the source of resistance against the implementation of ICT in the work process. The implementation of e-governance in Kinondoni shows, nevertheless, that no staff members have been retrenched after the implementation of the project. Of course, this was also due to the fact that the project entails huge investments of external donors.

Questions

1. Compare and contrast the term e-government and e-governance.
2. According to the case study provided, what do you think are the main constraints facing Kinondoni e-governance project?
3. Determine the change in the relations between the three spheres in the Kinondoni case.
4. By comparing the situation before and after the implementation of the e-governance project, to what extent can you say that the discussed e-governance project is a successful project?
5. In your analysis of the case study, what are the benefits of electronic governance? And what are the pitfalls?

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PART IV

NEW PUBLIC MANAGEMENT

14

Public-private partnership in social service provision

Josephat Stephen Itika

Introduction

Public-private partnership (PPP) is basically public service delivery through collaboration of a public agency with one or more actors from the private sector. As such, it is a relatively recent development in public administration that has been taking place since the beginning of this century. It is a result of trials and lessons learnt from the application of quite a number of administrative models developed over the past fifty years – both in developing and in developed countries.

In the aftermath of the Second World War, governments all over the world were confronted with the tasks of reconstructing war torn economies. This implied a far more active role of government and of public agencies in societal and economic affairs than was customary before the war. The organisational structure that governments were able to utilise for this purpose was still very much the traditional administrative bureaucracy that had been developing slowly over the whole of the previous century. Traditional public bureaucracies were designed for administering justice: The just application of the laws of the land. Fairness and equity were among its core values. With the growth of the so-called 'welfare state' (characterised by controlled public service delivery through the expansion of public service machinery), it turned out that traditional bureaucracy was not entirely fit to meet the new challenges posed by mass delivery of social services. Even though fairness and equity remained important public values, other requirements such as efficiency and the effectiveness of operations became ever more pressing.

In the 1980s, this resulted in the development of 'managerialism' in social service delivery. The emphasis on bureaucratic culture and on bureaucratic behaviour shifted towards effective management in running government affairs. One result was the mushrooming of semi-independent government boards and agencies to manage programmes and projects as a way of reducing the administrative burden on public service delivery from the traditional civil service. This was a common phenomenon, especially in developing countries.

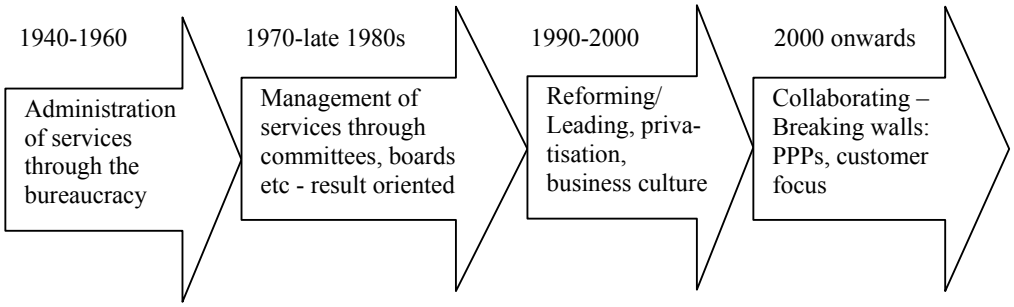
The 1990s saw an entirely different approach, heavily influenced by the political philosophy of neo liberalism, which pushed for heavy macroeconomic policy reforms. In this approach, the massive involvement of governments in the economy, especially in social service delivery, was regarded as distorting economies. At the same time, government agencies failed to live up to on the promise of delivering high quality social services and hence undermined their legitimacy to govern. Privatisation in different forms became fashionable, the most far reaching being the total withdrawal of government from specific economic sectors such as mining, telecommunication or energy production and distribution. Public interests in those areas might be safeguarded by either government shareholding in the private enterprises active in that economic sector, or by some form of public regulation of the sector. In case of shareholding, public and private actors jointly carry out the management and the activities of the company. Especially in developing countries, a number of initiatives have been taken to create a favourable environment for privatisation – including national investment promotion laws, investment centres and parastatal reform commissions.

Despite all these reforms, aimed at reducing the role of the government in economic development, most developing countries have not realised many of the expected outcomes of privatisation. One reason for this has to do with the nature of the private sector itself, which is generally too weak to be a significant actor in the economy. At the same time, governments are often too weak to be able to create the necessary enabling environment for the private sector, while safeguarding public interests. As a result, from around 2000 onwards the focus has shifted to novel ways and structures for public service delivery. The core of these innovations is to create effective partnerships between government agencies and private sector organisations – both businesses and not-for-profit organisations. The intention is to take down walls so that the public and private sector actors can join hands and create synergy.

Figure 14.1 depicts the four phases in public administration for public service delivery that lead up to the advance of public-private partnership. Once more, great hopes are invested in this new mode of administering public services. When the private sector comes in, it is expected that these partnerships will create value

for money. It is expected that projects will start earlier and finish earlier because of reduced bureaucracy. Another expectation is that there will be more access to innovations from the private sector and better access to private capital. Furthermore, improvements in public services and an increase in the transparency and the accountability in the expenditure of public money are expected.

Figure 14.1 The evolution of administrative systems for public service delivery



The concept of public-private partnership

Public-private partnership is best seen as a continuum of collaborative arrangements for public service delivery between the public and private sector organisations, based on the principle of appropriate allocation of resources, rewards and risks (Bennet *et al.* 1999; Brinkerhoff 2002). This continuum provides a range of models from which to choose when considering ways and means for the delivery of a specific public service. These models are:

- simple cooperation
- joint venture
- direct contract
- lease
- concession
- complete privatisation with regulation

Appropriate allocation of resources and risks is critical in all forms of partnership. For the collaboration to be effective and sustainable for both parties involved; there has to be equality in the relationship, as far as costs and benefits are concerned. This principle is to be found in PPP regulatory frameworks positions such as the South African PPP legislation and the UK's stringent PPP regulatory framework (USAID 2006).

The PPP continuum can be used as a tool for decision-making about involving the private sector in the improvement of public services; in a municipality, for

instance. Thus, Bennet *et al.* (1999) and Brinkerhoff (2002) argue that in response to public service delivery gaps in a local authority, a simple cooperation between the government and the private sector should be a starting point. The local authority may invite ideas from the business community to improve by-laws for regulating certain service delivery mechanisms. In this case, the role of the private sector is merely advisory.

The second level in the PPP continuum is a joint venture in which the municipality may collaborate with a private party, and in which they take joint responsibility for the overall delivery of a specific service package. The parties have to balance their roles, interests and risks. Unlike under simple collaboration, strong accountability mechanisms, transparency in decision-making, equitable costing and the distribution of financial profits and risks are necessary.

The third level is the direct service contract. In this case, the municipal authority contracts out a specific public service to the private provider at an agreed level, within defined specifications, payments, and for a fixed period of time.

The forth level is lease contract. This is awarded through competitive bidding. The highest bidder gets the contract. The government agency retains ownership of all assets and is accountable to the public for ultimate performance. Under a lease arrangement, the government leases infrastructure and facilities to a private firm for a fixed period of time. The private sector party will have exclusive rights to operate and it will bear commercial risks for non-payment of fees and charges by the service beneficiaries.

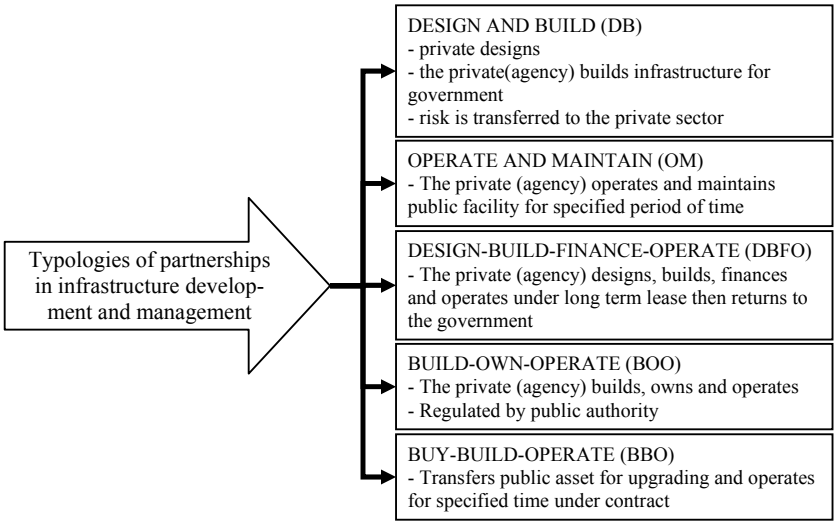
The last option is concession. The local authority, a government department or government agency, may transfer full authority and responsibility to the private sector for service delivery in a specified area at a specified time. This will include everything to do with construction, maintenance, collection of revenue and management. The concessionaire will be responsible for all capital investment to build, upgrade or extend the system. The client will generally retain responsibility for establishing and monitoring performance standards, regulation of price and service volumes. The main difference with lease is the additional responsibility for capital investment by the private sector. In partnerships where infrastructure is required, several arrangements may be made, as shown in figure 14.2.

Figure 14.2 shows five typologies of partnerships in infrastructure development and management for service delivery. There could be more typologies, depending on the strengths of both the private and public sector and the opportunities available for public service improvement. These typologies determine the PPP model that might be suitable; for example, between lease and concession.

What remains outside these partnership models is either full government investment and public service delivery or full privatisation, where the government will remain with creating an enabling environment for the private sector to invest

in and operate under the normal market conditions. Despite the possible effectiveness of public-private partnerships, creating such a public-private partnership is full of pitfalls. Designing and implementing an adequate contract that fits the requirement of appropriate allocation of resources and risks, is often complicated and costly. Underestimating the difficulties involved may easily lead to failure of the partnership, as illustrated in the case of Dar es Salaam water

Figure 14.2 Partnerships in infrastructure development and management



PPP and the water problem in Dar es Salaam

Introduction

Until 1991, the government provided free water services, apart from some high income areas. However, the services were not sustainable, due to a number of reasons, including disrepair, lack of investment, high levels of wastage and very poor levels of service coverage. In an attempt to improve the situation, the government developed a new water policy in 1991 which removed government subsidies for water utilities, called for self financing and called for partnership between the government, agencies, the community and the private sector. This policy led to the formation of the Dar es Salaam Water and Sewerage Authority (DAWASA) in 1997 with the primary objective of provision of water and sewerage services. However, this new institution did not perform better because water wastage, disrepair, inability to offer new water connections and collection of tariffs were critical, and little could be done without external support.

On the other hand, since 1997, the World Bank and International Monetary Fund started to pressurise the government to privatise water utilities in order to improve services and reduce government burden. As part of the pressure, under the World Bank Country Assistance Strategy, the country would get USD 300 million a year if there was fast track privatisation,;if the government was slow, it would get 200m, and if it could not privatise, it would receive only 100m a year (ActionAid 2004; Mushi 2007).

At long last in 2000, the government, donors and creditors agreed privatisation as a condition for loan, including debt relief under HIPC. By that time, DAWASA was managing water and sewerage services itself, owned the infrastructure assets, and employed more than 1200 persons. However, water service provision through DAWASA did not prove satisfactory for numerous reasons, not the least of which was the inability to mobilise resources necessary to provide for the infrastructure and maintenance needs.

Due to DAWASA's inability to provide adequate water and sewerage services, the government applied for a development loan from many financial institutions. Eventually, financial and technical assistance was secured from the World Bank, the African Development Bank and the European Investment Bank. The funding was for a rehabilitation program requiring substantial long term investment (approximately USD 163,000,000, of which USD 143,000,000 was to be supplied by the international organisations). One of the requirements of this loan was that the water and sewerage services would be privatised. The government had no choice but to bow to the requirement (ActionAid 2004). It was only in 2002, however, that as part of a re-bidding process, tender documents were issued for bids for the lease contract which called for the successful bidder to take over, for a period of ten years, the water and sewerage assets of DAWASA, and to provide defined water and sewerage services to customers in the greater Dar es Salaam Region.

Failed lease contract management

According to the background information in the court ruling, the 2002 invitation to bid initially attracted three bidders. However, the other bidders dropped out, leaving City Water Ltd the successful bidder. After substantial negotiations, the lease contract and the Supply and Installation of Plant and Equipment (SIPE) and Procurement of Goods (POG) were entered into on 19 February 2003 and the Sub-Loan Agreement on 18 June 2003 whereby external financing would be USD 143 million, City Water would invest USD 8.5 million to cover removable and DAWASA would use USD 2.5 million through cash generation.

City Water was a Tanzania corporation, formed for the purpose of being an investment vehicle, and the operator for the water and sewerage project. City

Water was owned 51% by Biwater Gauff (Tanzania) Limited ('BGT'), an English corporation, and 49% by Super Doll Trailer Manufacture Co ('STM'), a Tanzanian company. BGT is itself a joint venture which is owned 80% by Biwater International, a wholly owned subsidiary of Biwater Plc, a well known English corporation active in the water and sewerage sector, and 20% by HP Gauff Ingenieurie GmbH, a German engineering and consulting company. DAWASA was, and still is, a Tanzanian state-owned corporation created in 1997 as a quasi-commercial, parastatal organisation to provide water and sewerage service in, amongst others, the City of Dar es Salaam and the adjacent regions of Kibaha and Bagamoyo, in Tanzania.

Terms and conditions of the contract

Associated with the principal contract, three related contracts were provided for the bidding procedure:

1. a contract for Supply and Installation of Plant and Equipment (the 'SIPE' contract), calling for capital improvements to the critical elements of the Dar es Salaam water and sewage system;
2. a contract for Procurement of Goods (Water Meters): The 'POG' contract;
3. a Sub-Loan Agreement providing for the government to provide matching loan financing to support City Water's equity contribution pursuant to which the Operator (City Water) could draw down one dollar (up to USD 5 million) for every dollar of equity contributed by City Water's shareholders.

According to expert opinion, it would appear, in hindsight, that the terms accepted by City Water in the Lease presented a substantial challenge for the lessee from the outset. City Water accepted the lowest allowed operator tariff proposed by the government authority (Tsh 322 per m^3) which apparently other bidders felt was too low. City Water knew, or should have known, that the information provided in the bidding documents for the existing parameters for available water for distribution, billing projections and customer database was not based on reliable foundations and was not guaranteed. City Water also accepted to take over the entire staff that DAWASA had employed in rendering the services as a parastatal organisation, and thus, renounced the savings opportunities that the takeover of public services by a private organisation would ordinarily offer.

Some controversial issues

Although City Water and DAWASA agreed to the terms and conditions of the contract, later on it turned out that a number of historical employee costs, paid by DAWASA, had not been correctly revealed to City Water. Due to this lack of information, City Water was far too optimistic with its projections of revenue and

costs. Once City Water calculated these costs in the official financial projections, it appeared that there would be a negative net cash flow over the first six years of the ten year Lease. By then, it was clear that City Water took a high risk when they signed the contract. This also put the pressure on this new way of organising public water and sewerage services, knowing that the previous attempts to organise these services had failed.

The performance of the contract

During the first 18 months of the Lease (which commenced on 1 August 2003), the revenue flowing to City Water was far lower than the projections based on the program submitted with City Water's bid. It was even lower than the revenue previously realised by DAWASA, during its previous failed attempts as a parastatal organisation to provide the services itself. At the same time, operative costs were significantly higher than had been estimated. In July 2005, the World Bank published a study on the experiences, the successes and the failures of the privatisation efforts in the United Republic of Tanzania. One major conclusion of the report was that the reason for accepting City Water's bid was the pressing need to mobilise new funds to invest in the infrastructure. City Water were supposed to improve the infrastructure as well. However, it was not expected that the private investor would not be able to improve the services. The primary assumption on the part of almost everyone involved, certainly from the donor side, was that it would be very hard, if not impossible, for the private operator to perform worse than DAWASA.

Due to the circumstances, and the high costs that exceeded the initial calculation, City Water failed to observe some key obligations of the lease contract. It failed to make payments to DAWASA, on account of Lessor Tariffs, and it failed to meet the required level of equity contribution. In any event, it led City Water to take the position that it could no longer meet its obligations under the lease contract without revision of its financial terms.

Efforts to revise the contract

Between April 2004 and September 2004, City Water initiated negotiations with DAWASA and the Minister of Water to obtain the revision of financial terms of the lease contract. These initial negotiations were not fruitful as DAWASA and government representatives focused on the payments owed by City Water for the contractually promised equity injections and tariff payments. On the other hand, City Water focused on the necessity of radical revision of the financial terms of the lease contract to permit City Water to continue fulfilling its role under the contract.

Initially, it was City Water's intention to ask the United Nations Commission on International Trade Law (UNCITRAL) Tribunal to determine its rights and entitlements for adjustment of the Operator Tariff, payable to City Water, and for relief from making payments, owed under the lease contract. The main ground for this would be that DAWASA had provided some misleading bidding information to City Water. However, no such claim or evidence was developed by City Water.

Meanwhile City Water started informal negotiations. Since these negotiations were not leading to a contractual solution, in September 2004, City Water requested an 'Interim Review' of the tariff, as it was entitled to do under Article 41.4 of the lease contract. This article of the lease contract provided that the lessee was entitled to upward adjustment of the tariff on interim review, only if it could demonstrate that a 'Material change of circumstances' had occurred.

On 2 September 2004, DAWASA named PricewaterhouseCoopers for rendering an independent evaluation of whether City Water was entitled to tariff revision, pursuant to Interim Review, under the terms of the lease contract. On 28 November, PWC rendered its report, which found, in an Interim Review, that there was no contractual justification for upward revision of the tariff.

Following the failure of the contractual tariff revision process, discussions were renewed between the parties during which City Water renewed its requests for substantial revision of contract terms on a freely renegotiated basis. Meetings were held at Ministerial level in January and February 2995 and in March, the parties agreed to enlist the assistance of a mediator, or facilitator, Dr. Tony Ballance of TRC Economic Solutions. Negotiations continued in March and April 2005.

Between mid-April and the end of April, the parties negotiated intensively on an initial report, prepared by Dr. Balance, and then again on a 'aide-memoir', also prepared by Dr. Balance at the end of April. In the first week of May 2005, Dr. Balance presented a proposed compromise seeking to achieve agreement between the parties on a revision to the contract. The proposal was not agreed, nor was any alternative arrangement agreed upon for the revision of the contract.

Termination of the lease contract

In the absence of an agreement, the Board of Directors of DAWASA decided to terminate the lease contract. On 12 May 2005, DAWASA made a call for the full amount of the Performance Guarantee to recover outstanding amounts, owed to it under the lease contract. The bank that had provided a bank statement during the bidding, then made a payment to DAWASA for the full amount of the guarantee, which amounted to Tsh 5,535 million (the Performance Guarantee was in the amount of USD 3 million and Tsh 2,853 million).

On 14 May 2005, a meeting was held between representatives of the parties at which DAWASA requested City Water to accept a shortening of the termination notice period provided in the lease contract 30 days so that a successor could take over providing essential water and sewerage services, without interruption of service to the public. However, City Water refused.

On 16 May 2005, City Water served a Notice of Arbitration under the UNCITRAL Rules, as provided under Article 66 of the lease contract, commencing the present arbitration.

On 17 May 2005, DAWASA served a cure under Article 50.1 of the lease contract, requiring City Water to replace in full, within seven days, the Performance Guarantee which had been called for and paid to DAWASA (which would have required City Water to provide to the guaranteeing bank USD 5.5 million of new security. On 20 May 2005, the parties met to discuss the naming of transition teams to facilitate the taking over of the project by DAWASA as was required pursuant to Article 55 of the lease contract. City Water did not, however, name a transition team and did not cooperate further in the takeover process.

On 23 May 2005, City Water obtained an ex parte injunction from the High Court in London prohibiting DAWASA from taking further steps towards the termination of the lease contract. An *inter partes* hearing on the injunction was scheduled for 8 June 2005 but on the eve of the hearing, City Water withdrew its application and hence the injunction lapsed.

On 25 May 2005 DAWASA served a notice of termination based on the expiration of the seven day cure period for City Water to replace the performance guarantee. The thirty-day notice period for termination would have expired on 24 June 2005.

Between the 26 and 30 May 2005, communication between the two parties took place with crossed purpose. DAWASA was seeking agreed early termination and a commitment to transition cooperation by City Water due to DAWASA's fear that City Water was, in fact, financially unable to continue services and that interruption of services would soon occur. However, City Water still took the position that the notice of termination was ineffective, that it was still in place as lessee and that its status could only be terminated by agreement between the parties or by the terms of an arbitration award.

A decision was made by DAWASA and the government to effectively terminate the contract prior to expiration of the notice period. City Water continued to contest DAWASA's right to terminate and insisted on its right to remain in possession and to act as operator.

A decision was then taken by the Minister of Water to physically take over the premises so as to enable DAWASA to commence performance of services and continue services to the public. The expatriate management of City Water was

asked by the police on 1 June 2005 to vacate the premises. The three senior managers, Messrs Stone, Livermore and Harrington, were deported from Tanzania later in the evening as 'prohibited immigrants'.

Acting on instructions from the Minister of Water, the DAWASA managing director went to the premises on the afternoon of 1st June, accompanied by the managing director of a newly established Dar es Salaam Water and Sewerage Corporation (DAWASCO), and announced to the personnel that the operation was being taken over by DAWASCO, who would become their employer.

Questions

1. Public-private partnership requires sharing of resources, rewards and risks. To what extent do you think these concepts apply to the lease contract?
2. It is learned from the case study that the lease contract had failed before it started. However, it continued until when it was frustrated by force. Why did this happen?
3. The government took a development loan to improve water service delivery through Public-private partnership. However, that objective was not realised. What are the key lessons in public administration?
4. Do you think the government act of forcefully ending the contract was an act of good governance? Justify your arguments.

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Photo 5 Ministry of Finance, Morogoro Region

Photo by Geertje Holtrop

15

Rent-seeking behaviour and the organisation of utilities

Emmanuel Matiku, Andrew Mbwambo & Joseph Kimeme

Introduction

Public choice, traced to the work of Gordon Tullock & James Buchanan (1962), is the study of political phenomena with the tools and models of modern economic scholarship. Topics that traditionally belong to political science and public administration have been tackled with often innovative results. Fundamental to the public choice approach is the assumption that politicians and public officials behave as primarily self-interested actors. A question then is, under which set of constitutional rules such behaviour may be aligned with public interests or with the preferences of citizens. Modelling of behaviour is done in a number of different ways, such as utility maximisation and game theory.

Even though public choice primarily attempts to explain actual public behaviour, one often finds a normative or prescriptive twist in the analyses that are concerned with problem solving, especially by changing constitutional rules. One strand of public choice scholarship (Niskanen 1971; Stiglitz 2000) is less interested in constitutional rules, but insists that government itself is the problem, when it comes to the efficient allocation of scarce resources in society. Downsizing government to the necessary minimum would liberate markets to produce an efficient allocation of resources.

In general, it is important to stress that public choice theory is all about modelling on the basis of strong but simple assumptions about political behaviour. It does not claim that these assumptions reflect all real behaviour in the political reality. The founding fathers of public choice Tullock & Buchanon (1962: 29) came up with the following caveat:

> 'even if the model (with its rational self-interest assumptions) proves to be useful in explaining an important element of politics, it does not imply that all individuals act in accordance

> with the behavioural assumption made or that any one individual acts in this way at all times (…) the theory of collective choice can explain only some undetermined fraction of collective action. However, so long as some part of all individual behaviour (…) is, in fact, motivated by utility maximisation, and so long as the identification of the individual with the group does not extend to the point of making all individual utility functions identical, an economic-individualist model of political activity should be of some positive worth.'

An important idea, brought forth by public choice theorists, is the concept of rent-seeking.

Rent-seeking and privatisation

The concept of rent-seeking

The concept of rent-seeking, in its most general meaning, refers to the behaviour of an individual, company, or government attempting to make a profit without making a product, producing wealth, or otherwise contributing to society. The concept goes back to a distinction (made by the classic economist Adam Smith) of different forms of income: Profit, wage and rent. Profits and wages are income based on a consensual agreement between parties engaging in mutually beneficial transactions. Rent, on the other hand, is income obtained when parties are excluded from otherwise accessible transactions. The classic example of Adam Smith was the guild system: A group of craftsmen effectively forming a cartel, excluding other non-member craftsmen from offering services. The rent, thus extracted, is the higher price the craftsmen can ask of their clients by lack of competition.

In modern economic life, there are many forms of rent-seeking behaviour. Very common in advanced economies is (economic) *lobbying* with a government. Whenever a government holds monopoly powers in a sector of the economy, firms, or the whole sector, are induced to influence the government agency responsible to obtain regulation in their favour. Such regulation may exclude competitors, it may increase government determined tariffs and prices, etc. One example is the market for telecommunication. Regulation of that market is deemed necessary for instance to ensure uninterrupted interconnection between different providers. Because of the requirement of interconnectivity, different providers can easily enter into collusion to form a price-cartel. The higher price customers have to pay due to lack of competition is a form of rent-seeking. government regulation in such a market typically aims at determining feasible tariffs: A price that a fully competitive market would produce. Of course, the firms in the market will strive for a tariff that is higher than one that is economically feasible. Whenever they succeed in convincing the government agency to decide accordingly, they have created a situation for rent-seeking.

On the other end of the spectrum of rent-seeking behaviour, one finds bribery and corruption. Generally, corruption means that an actor abuses an authority,

with which he is entrusted, for personal gain. That actor can be a procurement officer in a private firm taking money from a provider in exchange for awarding a contract. The actor can also be a government official, for instance allowing an illegal tax break or an illegal permit to a firm in exchange for a reward from that firm.

Rent-seeking public officials

Public choice theorists have applied the concept of rent-seeking to explain relationships between politicians and public officials, on the one hand, and private firms on the other hand. In modelling this relationship, public officials in that relation are conceived to be pursuing self-interest, and thus show a *tendency* to make decisions or choose policies that create opportunity for rent-seeking in order to 'maximise their level of compensation' (Krueger 1974; Mbaku 2000; Harris 2003). Krueger (1974), for example, discusses a type of rent-seeking in which public officials make decisions that increase government involvement in the economy – not to further the public good, but because the larger the role of government in the economy, the more the interaction between public officials and clientele, and the more opportunities for extracting illicit fees from their clientele.

Generally, rent-seeking by public officials is wasteful and counterproductive, leading to inefficient allocation and use of resources. Renger & Wolff (2000: 6) summarise the welfare costs of rent seeking thus:

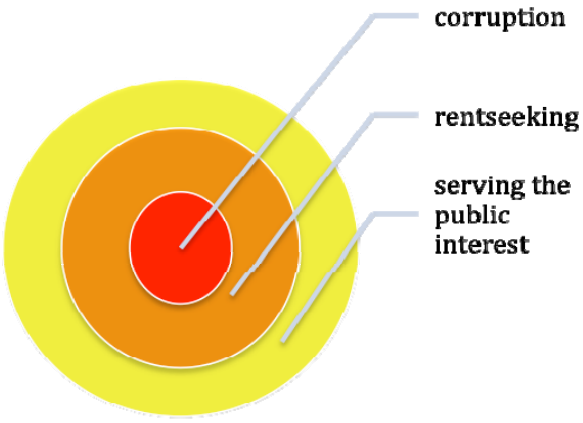
> 'The social and economic effects of rent seeking take many forms. In the long term the result is total distortion of the structure of social and economic incentives and misallocation of resources, leading to heavy welfare losses and social costs. Rent seeking hinders economic growth and social development (...) [it] is one of the main causes of underdevelopment and poverty in numerous developing countries.'

Again, just as in other strands of public choice literature, different authors draw different conclusions when applying the concept of rent-seeking on the behaviour of public officials. For some, the opportunities and incentives for rent-seeking in public bureaucracies are so large and widespread, that they advocate minimising government involvement in societal and especially in economic affairs. Because of the supposedly extensive rent-seeking in the public sector, the market is considered a better system for resource allocation. Others search for institutional safeguards that would minimise rent-seeking in public organisations.

These differences notwithstanding, hardly any scholar would claim that all public officials are rent-seeking all the time. In reality, there is a broad spectrum of types of behaviour of public officials, as depicted in figure 15.1. In this figure, the spectrum is simplified to three categories of behaviour: S*erving the public interest*, *rent-seeking* and *corruption*. At one end of the spectrum, there may be no rent seeking as public officials observe governance ethics in making decisions, serve the public, promote the public interest and behave legally, according

to standard procedures. At the next (middle) point of the spectrum, there is rent-seeking whereby public officials make decisions and commit themselves in ways that promote self-interest and self-gain. At the extreme end (i.e. centre) of the spectrum, the rent-seeking behaviour of public officials turns into grand corruption.

Figure 15.1 Public governance behavioural continuum



Rent-seeking and corruption

Renger & Wolff (2000) point out that there is extensive linkage between rent seeking and corruption, which is at the extreme end of the spectrum. Rent seeking becomes corruption either where politicians and bureaucrats specifically exploit their official opportunities and manipulate the existing institutional framework to serve their own private gains or where illegal financial benefits (e.g. bribes) are used in rent seeking. Public officials then utilise public authority, entrusted to them for the safeguarding of public interests, solely for personal advantage and/or for the advantage of groups (entrepreneurs or others) that pay them. Fredricksson & Svensson (2003: 1385) show that a government may choose a particular policy after its officials have been bribed or promised a bribe by 'an interested group of lobbyists'. In an attempt to clandestinely redistribute state wealth to themselves, public officials may issue statements that confuse the public and conceal the truth about an existing situation (see Harsch 1993: 33; Mbaku 1996: 100).

Szeftel (2000) reveals that in most African countries, privatisation has widened the opportunity for corruption as public officials orchestrate the public benefits of privatisation to conceal their hidden motive of pursuing self-enrichment.

Privatisation and development

In the course of the 1980s, donor nations developed a set of policies for the support of developing countries; policies that were highly influenced by neo-liberal thinking. This set of policies came to be known as 'The Washington Consensus', a phrase coined in 1989 by American economist, John Williamson. The Washington Consensus reflected the lending practices of the World Bank, (the multinational organisation for economic development and financial support), the IMF and other public lending institutions.

The Washington Consensus condensed those lending conditions in a ten-point programme:

1. keeping competitive exchange rates within the country;
2. liberalising foreign investment opportunities;
3. privatising enterprises run by the state;
4. giving strong legal guarantees for property rights;
5. letting interest rates be handled by the market and remaining positive and moderate;
6. moving spending away from subsidies and towards direct investment in infrastructure, health care, and education;
7. reforming the tax system to a broader tax base; having a policy of strong fiscal responsibility;
8. liberalising trade by removing or lessening restrictions on imports and tariffs;
9. cutting into regulation that lessens competition, except in the cases of consumer safety, environmental health, and financial institutional stability.
10. legal security for property rights.

By 2010, the Washington Consensus became dead, and the reviews made in hindsight, are mixed at best. Yet in the previous 25 years, the World Bank's decisions concerning loans to developing countries were firmly based on that policy. Some critics claim that the Washington Consensus was ethno-centric and did not take into account the special circumstances and factors that influenced or hampered economic development in third-world countries. Put in a different way, the Washington Consensus was a derivate of economic theories that were designed to deal with full-fledged Western economies. The applicability of such theories under totally different circumstances in developing countries was disputable at the very least. A short review of the economic debates, especially within the public choice framework, will show these theoretical roots.

Privatisation and other market-type provisions

Although public choice theory is mainly concerned with designing better public institutions, some scholars have emphasised that 'small government is better government' (Niskanen 1971). They regard the market as generally a better system for producing goods and services than a government bureaucracy, because it

- empowers the consumers by giving them a wider choice of services;
- stimulates competition;
- reduces the power of bureaucrats acting as 'gatekeepers' to control 'the allocation of services in a paternalistic or authoritarian manner' (Self 1993: 129); and
- reduces monopoly and promotes efficiency resulting from the desire by organisations to compete for and win clients (Drache & Sullivan 1999).

Scholars that promote the market as the more efficient system for production and distribution, often fail to consider the steps to be taken to ensure that the transition from public provision to market provision does indeed attains its objectives. Also, there is often little concern about the environment in which a new market structure has to function. The assumption seems to be that once the bureaucrats have been put out of the way, the market will not only produce strategies that will maximise economic efficiency, but will also render a conducive environment for implementation of those strategies.

The defendants of systems of state involvement argue that the public interest of public officials is attested by the level of achievement attained by the public sector in many parts of the world today. Self (2000), for example, contends that there is no clear-cut evidence to prove that private firms are necessarily efficient in a technical sense. Stiglitz (2000) pursues this point further, stating that governments which are transferring public entities to the private sector on grounds of efficiency should look at the steel mills established and run by the Korean and Taiwanese governments to realise that some of the most efficient and profitable enterprises in the world are in the public sector.

There also exists scepticism on the question of efficiency, competition and utility maximisation that are supposedly offered by the economic market (Drache & Sullivan 1999; Self 1993, 2000; Lee 2006). Self (2000), for example, argues that, technically speaking, there is no clear-cut evidence to prove that the economic market is necessarily efficient in resource allocation. The author is also critical of the view that market forces promote competition (Self 1993: 104). In the author's opinion, market competition is often reversed when conglomerates assume monopoly in the economy. Stiglitz (2000) argues that, given a properly organised and managed environment, collective institutions are capable of promoting the efficient use of resources.

Tanzania electric supply company's divesture decision

Introduction

The crucial role played by electricity in the social and economic development of society is well documented in various literatures (see Myllyntaus 1991; Nathan 1998; Wilkinson & Hill 2000; Steiner 2001; Pineau 2002). Electricity is described as 'the lifeblood' and one of the 'building blocks' of modern society in the sense that apart from being a vital service to the economy, at the root of all productivity improvement, it is 'an important final good consumed by households' (Steiner 2001: 43). In this regard, it is one of the sectors in which reform, if need be, has to be carefully considered.

Although Tanzania's electricity (power) sector has been liberalised to allow independent power producers (IPPs); the public power utility, Tanzania Electric Supply Company (TANESCO) is still the monopoly supplier of electricity in the country. However, in 2002 the firm was placed under a management contractor as 'a run-up to the power utility's divesture and privatisation. Basu (1994) argues that placing a public enterprise on a management contract, prior to divesture, is a form of privatisation. The following sections present the implementation of the decision.

Tanzania's power sector liberalisation

Liberalisation of the power sector in Tanzania traces its history to 1985 when the IMF included restructuring the energy sector as one of the conditions to be met by the government of Tanzania for accessing the Fund's loans. The IMF demanded restructuring the power sector because TANESCO was, in the Fund's view, 'inefficient' and had become a 'burden' to the government. The IMF's decision to include electricity in its lending conditions was followed by the World Bank when the latter declared it would no longer 'finance power projects where poorly performing and highly polluting utilities and their governments were unwilling to carry out fundamental structural reforms' (World Bank 1993: 72). Coincidentally, the Bank's declaration was made shortly after receiving a USD 300 million loan application from the Tanzanian government to finance the implementation of the Lower Kihansi Hydropower Project (LKHP).

In 1993, Tanzania issued a new electricity industry policy and restructured framework (revised in October 1999). The policy spelled out the sector's main objectives as: Promoting competition in the power sector; increasing sector efficiency to meet electricity demand; accelerating electrification to ensure access by the broadest cross-section of the population; ensuring the long-term economic viability and sustainability of the electricity industry; and reducing public expenditure by transferring to the private capital the commercial risks inherent in electricity investment. To realise these objectives, the policy outlined a number of

strategies to be adopted – including restructuring and unbundling the present, vertically integrated monopoly utility into functional units of generation, transmission and distribution; introducing competition in the sector while safeguarding stakeholders and customer interests through regulation; establishing an independent regulatory agency; and improving efficiency in the distribution system.

This policy change was followed by two important occurrences in the country's power sector. Firstly, the Kihansi hydropower project financiers, led by the World Bank, released USD 275 million for the Kihansi project and implementation of the 180MW project started in July 1994. Secondly, two independent power producers, Songas Limited (Songas) and Independent Power Tanzania Limited (IPTL), were licensed by the Ministry of energy and Minerals (MEM) to generate power for sale to the existing public power utility, TANESCO. Songas was created in October 1995 by two Canadian companies in partnership with the government of Tanzania, TANESCO and Tanzania Petroleum Development Corporation (TPDC). The aim of the USD 350 million project was to implement the Songo Songo Gas to Electricity Project, in Kilwa District of southern Tanzania, by constructing the gas processing facilities on Songo Songo island and the 232 km long pipeline network to transport natural gas to Dar es Salaam, where it would be burnt to generate up to 115MW of electricity for the National Grid. The project was scheduled for completion in 2004.

The IPTL emerged in 1995, in the wake of a visit to Malaysia by the then ruling party's Secretary General and Minister for Planning in July 1994, during which Tanzania's power supply problems were discussed between him and the Malaysian government, as well as potential Malaysian investors. Following this visit, a seven-man delegation from Mechmar of Malaysia visited Tanzania in August 1994 and held discussions with government leaders and TANESCO management. Around this time, a Tanzanian company, VIP Engineering, was registered and entered into a joint-partnership with Mechmar to form IPTL. The new company began negotiating a Power Purchase Agreement (PPA) with the Ministry of Energy and Minerals (MEM), culminating in the signing of the Memorandum of Understanding in June 1995. The terms of the agreement included that IPTL would:

1. construct a USD 150 million power plant at Tegeta, in the outskirts of the city of Dar es Salaam;
2. generate and add to the National Grid 100MW of electricity, using low speed engine turbines;
3. have the project ready for commissioning by 1998; and
4. be paid by TANESCO USD 4.8 million monthly for generating 100MW of electricity over a 20-year period upon becoming operational.

However, it was later revealed that VIP Engineering, Tanzania's IPTL equity holder, 'is (in fact) owned by a group of senior government and party officials' (*East African,* 5 March 2001).

The signing of the IPTL project was greeted by opposition from the World Bank, arguing that the IPTL's USD 150 million project was too costly and would have a direct bearing on the price of power per unit when operational. The World Bank also contended that the cost of the project had been inflated because the estimated cost of installing 1MW of power was USD 1 million, and, therefore, the true cost of the project would have been USD 100 million against the USD 150 million , claimed by IPTL management. The IPTL investors argued that their actual cost of installing 1MW was USD 1.5 million and had, therefore, spent USD 150 million to install 10 generators by March 1998. In view of this argument, the World Bank blamed the government of Tanzania for agreeing to be part of such a project, and henceforth threatened to suspend its USD 28 million pledge for the Mnazi Bay gas project, as well as its support for the USD 300 million Lower Kihansi Hydropower Project.

Following the World Bank's displeasure in the IPTL project, the government, through TANESCO, issued IPTL with a notice of default on 9th April 1998, stating that without informing TANESCO, IPTL unilaterally decided to substitute medium-speed diesel engines for the slow-speed engines, as stipulated in the agreement. In view of the substitution, TANESCO wanted the project cost to be re-negotiated and put its own estimates at USD 90 million instead of USD 150 million. A statement from the State House voiced government support to suspend the agreement, arguing that the government could not allow Tanzania's electricity consumers and the economy to be burdened with extraordinarily high electricity tariffs. However, IPTL refused to either recognise the suspension or renegotiate the project, arguing that the government was aware of the substitution and that the decision to suspend the project was being influenced by the World Bank. Accusing the Bank's interference in the agreement, the Tanzanian counterpart in the IPTL project stated:

> 'When IPTL signed a project agreement with the government, the first place we went to look for funds was the World Bank, but the institution denied us funds. And that was not the end. The Bank made sure that we did not get money wherever we went to, and this is because of the Bank's child-project, Songas Limited.'

The wrangle between TANESCO and IPTL ended in the High Court of Tanzania when, in September 1998, IPTL filed a law suit, seeking a monthly damages payment of USD 3.623 million from TANESCO, beginning September 1998 until the matter was resolved. The firm alleged that it had incurred a loss of USD 18.115 million due to delays in operationalising the project that was ready for commissioning. The High Court granted IPTL's petition, prompting TANESCO

to seek an appeal with the Tanzania Court of Appeal. However, before the appeal was lodged, the government ordered TANESCO to refer the matter to the London-based International Centre for the Settlement of Investment Disputes (ICSID) for arbitration. IPTL objected to having ICSID as its arbitrator, preferring the International Chamber of Commerce instead. IPTL argued that apart from the ICSID operating on the basis of outdated rules; it was an affiliate of the World Bank that had some interest in the dispute.

TANESCO prevailed in November 1999 in its dispute with IPTL, arbitrated by the ICSID, and it paid an arbitration fee of Tsh 5 billion. However, while the dispute was still undecided by the ICSID, a US-based investigation agency called Decision Strategies Fairfax International (DSFX) released a report revealing, that between 1994 and 1995, the Malaysian company Mechmar's representatives had paid between USD 20,000 and USD 200,000 to the power utility's senior managers and government officials as inducement for the approval of the IPTL project. In its conclusion, the DSFI report stated:

> 'Based on testimonial evidence and supporting data…there currently exists circumstantial evidence stoutly suggesting that the IPTL project was planned, approved and implemented pursuant to a pattern of corrupt behaviour at the highest level in government.'

The ICSID ruling, issued on 12 July 2001, declared that TANESCO should pay IPTL USD 123 million instead of USD 150 million for the project and a monthly tariff payment of USD 3 million, instead of USD 4.8 million, for 20 years, whether or not the plant was generating electricity.

Towards the privatisation of TANESCO

government efforts to restructure TANESCO became increasingly harnessed after a European Community team visited Tanzania on 30 June 2000. Addressing Tanzania's Parliamentary Foreign Affairs and International Cooperation Committee, the head of the European Community delegation commented on the electricity sector, citing mismanagement as the main reason TANESCO was performing so poorly and went on to recommend privatisation as the only strategy for solving the existing problems, including high tariffs. In its defence, however, TANESCO management issued a statement on 5 July 2000, citing the factors for the public utility's poor performance as the high cost of investments in the expansion of generation, transmission and distribution; worn out equipment; high fuel prices for thermal plants; currency exchange rate fluctuations; reduction of output in power stations, due to depletion of water reserves, resulting from uncontrolled irrigation and deforestation along the banks of rivers feeding into hydropower dams; declining water levels in dams due to siltation, resulting from uncontrolled farming around dams; and long outstanding bills mainly owed by government and its parastatals. TANESCO argued that given the nature of some

of the problems, no management, however efficient, could achieve results without support from the government. Having been accused of inefficiency, TANESCO issued a three day ultimatum for its debtors, including the government which owed Tsh 51.5 billion in unsettled power bills, to settle their outstanding bills or face a 'black out'. The government responded by saying that it was, in fact, owed by TANESCO a total of Tsh 250 billion, given to the firm for implementation of projects.

Following the departure of the European Union delegation, the government commissioned an external consultant, the London-based Delloitte, Touche & Tohmatsu (hereinafter referred to as Delloitte), in early 2000 to conduct a financial and management review of TANESCO's operations. In July 2000, Delloitte produced a report detailing operational and managerial weaknesses of TANESCO and recommended the hiring of an external firm to manage the public power utility during the transition phase to privatisation. According to Delloitte, a foreign management firm would enable TANESCO to increase its income by 15% to Tsh 22 billion per year.

In the wake of Delloite's recommendation, the Parastatal Sector Reform Commission (PSRC) issued an invitation to tender for Management and Support Services for TANESCO. Eleven firms expressed interest in managing the public utility, including Arnelt Consulting (USA); Birks Energy (Sweden); ESB International (Ireland); Eskom Enterprise Pty Ltd (South Africa); IberAfrica (Spain); Eltel Network International (Finland); NRECA International (USA); Vattenfall (Sweden); Net Group Solutions (South Africa); and Revenue Loss Management (South Africa). Following technical evaluation against 'an agreed set of criteria', six firms were selected for pre-qualification. These were ESB International; Eskom International (Pty Ltd); IberAfrica; NRECA International; Vattenfall and Net Group Solutions. However, before the six short-listed firms could bid, PSRC arranged a 'pre-bid conference' on 8 November 2001 to which the bidders were invited to attend. The main objectives of a pre-bid conference included: Describing the project and its expectations to bidders; generating interest to promote maximum competition among bidders; clarifying items in the bid documents; and generating feedback and advice from bidders. Four firms, Eskom Enterprise (South Africa); Net Group Solutions (South Africa); ESB International (Ireland) and Vattenfall (Sweden) attended this meeting.

Bidders were given until 30 November 2001 to submit their bids to PSRC. Meanwhile, the government commissioned the USA-based Stone and Webster Consultants for USD 3 million to give advice on TANESCO's restructuring, including unbundling the power utility; developing the electricity trading arrangements and the regulatory environment; developing the approach to improve access to rural electrification; giving advice on the privatisation of the companies

that would result from the 'unbundling' process; identifying and developing changes to the required legislation for the restructuring of the electricity sector; and implementation of the approved structure for the sector.

Upon the expiration of the bid period, three bidders – Eskom Enterprise (South Africa), Net Group Solutions (South Africa) and ESB International (Ireland) – had submitted a bid. A tug of war erupted between the technocrats in the PSRC and politicians in the MEM regarding which firm, Escom Enterprises or Net Group Solutions (both of South Africa), should be awarded TANESCO's management contract. PSRC's choice of Escom Enterprises was rejected by the Minister of Energy and Minerals, arguing that the choice lacked transparency. The TANESCO Board of Directors also voiced reservations on the manner in which bidder evaluations were carried out. In the view of the TANESCO Board, ESB International of Ireland seemed a more competent bidder compared to the South African firms.

The tug of war culminated in Net Group Solutions (hereinafter referred to as NGS) from South Africa being declared, on 11 December 2001, to have won the contract to run TANESCO. A Management Support Services Contract (MSSC) between the government and NGS was signed on 21 December 2001. Under the terms of the MSSC, NGS was required to manage all aspects of the operations, maintenance and expansion of TANESCO; improve TANESCO's financial, commercial and technical performance by applying commercial electric utility management principles; implementing a capital investment programme focusing on network rehabilitation, accelerating electrification and interconnections for cross border trading; participating in the pre-privatisation transition activities of TANESCO; and implementing the corporate restructuring by ring-fencing the main business units (generation, transmission and distribution). Justifying the hire of NGS, Tanzania's Third Phase President stated that TANESCO's management had failed to deliver and the government could not continue using tax payers' money to sustain it. The President acknowledged that the government and its various institutions owed TANESCO over USD 50 million unsettled bills.

In early 2002, the *East African* revealed that NGS was, in fact, a small engineering firm in South Africa and was not capable of running a big organisation like TANESCO. According to the Newspaper report, Net Group Solutions' local partner in Tanzania was the President's brother-in-law, and members of the board of directors in the local partner included names of primary school children. Following this revelation by the *East African*, the Parliamentary Finance and Economic Committee demanded to see TANESCO's management contract, a demand that was not honoured by government.

These developments prompted the Tanzania Union of Industrial and Commercial Workers (TUICO) to convene a meeting in Dar es Salaam on 20 March 2002

to discuss TANESCO's privatisation. After the meeting, TUICO issued a statement rejecting government accusation that TANESCO's management was inefficient, arguing that the government was solely responsible for the problems experienced by the firm. The Union charged that, apart from the government not paying power bills, its officials had used TANESCO funds for their personal gain and cited Energy and Minerals Minister as having used Tsh 1,320,000 from TANESCO to install an air conditioning system in his private house. In TUICO's view, TANESCO's performance was only being used as scapegoat to justify privatisation because:

> 'TANESCO has been given the burden of electrifying rural areas to please politicians who used electricity supply to rural areas as a measure of political success when appealing for re-election. Besides, government institutions on the mainland and in Zanzibar have, for years, been supplied with electricity without paying their bills. In return to all these, TANESCO is unjustly accused of being unable to generate profit and, on that basis, the government is giving it to foreigners.'

TUICO also raised a number of issues, which provided 'circumstantial evidence' indicating that the award of tender to NGS was corrupt. Firstly, the Union pointed out that Tanzanian law requires tenders to be floated for ninety days to enable a large number of bidders to submit their bids. According to the Union, the TANESCO tender was floated for only 27 days. Besides, big companies with technical know-how and extensive experience in power supply were 'sidelined' in favour of the South Africans. Secondly, after the award of tender to NGS, senior government and PSRC officials had travelled to South Africa where they had received financial 'kickbacks' for facilitating the award of tender to the South African firm.

TUICO demanded 'a golden handshake' of Tsh 80 billion and terminal benefits amounting to Tsh 2 billion to be paid to TANESCO workers, before the firm was handed over to NGS. The Union argued that if the government was able to pay Tsh 60 billion to 320 Members of Parliament after every five-year term, paying Tsh 80 billion to 4,000 workers, some of whom had served the firm for over 30 years, was not a big deal. The government rejected TUICO's demands, arguing that as the 'owner' of the power utility, it had the right to make investment decisions that were beneficial to the firm and the nation. Besides, the government argued that the workers were demanding the power utility to pay them an amount which it could not realise through its operations.

While the workers were haggling with the government, TANESCO announced a 10% power tariff rise on 1 April 2002. The increase was interpreted as having resulted from pressure from higher authorities because normally, TANESCO would issue a press release to announce and justify its intention to raise power tariffs. In this case, however, customers only learnt about it when they went to the company's pay outlets to pay their bills. The next day, newspaper headlines

were filled with customers' 'woes' demanding for the privatisation of TANESCO's. On the same day, the power tariff rise was publicly criticised, the Cabinet approved and sanctioned NGS to take over the running of TANESCO for a period of two years, and on the same day NGS managers arrived in the country from South Africa.

On 5 April 2002, the Minister for E&M was summoned to appear before the Parliamentary Financial and Economic Committee (FEC), which was unhappy with issues emanating from TANESCO, especially its rushed privatisation. At this meeting, the Minister explained that privatisation of the public power utility was the implementation of the power sector restructuring programme initiated by the government in 1992. As for the 'new' management that was to run TANESCO, the Minister defended the government's decision, arguing that the current management had totally failed to enable TANESCO to meet public expectations. According to the Minister, corruption among the public utility's managers was one of the main factors that had damaged the performance of the firm, citing the Tsh 5.6 billion that had been spent on equipment ordered outside TANESCO's established tender system. However, the FEC members wondered why the government was now so desperate in rushing TANESCO into privatisation if the restructuring programme was initiated ten years earlier, with TANESCO's problems existing all along. They argued that the public power utility could not be privatised in the absence of a proper inventory of the company's assets, an inventory that was yet to be carried out. The Parliamentary Committee also wondered why the government should accuse only TANESCO's management of 'unprocedural tendering' when a report by the Controller and Auditor General (CAG) had shown that, in the year ending 30 June 2001, a total sum of Tsh 70,727,295,859 was either unaccounted for or had been spent on government ministries contrary to standard procedures.

TANESCO's new management was supposed to start work on 11 April 2002. However, on 10 April 2002, the firm's workers issued a statement insisting that they would not allow the new managers to take over TANESCO until the fate of their demands, based on the 'Voluntary Agreement' submitted to the government, was known. They also stated that TANESCO, a sensitive institution that bears the 'souls' of the citizens and the country's economy, could not be managed by a small firm like NGS, capable only of managing an engineering workshop. Moreover, the selection of NGS had not involved TANESCO's Board of Directors. The stance of the TANESCO workers was supported by the Trade Union of Congress of Tanzania (TUCTA), in a statement issued on 11 April 2002 and signed by all the Union's eleven members.

As if to support TANESCO's workers, a group of 46 MPs presented a submission to the National Assembly Speaker on 11 April 2002, petitioning the gov-

ernment to submit, in Parliament, a copy of its agreement with the South African management firm. The MPs wanted the government to explain the procedure it used to nominate NGS; the sudden hike in tariffs for small users; and steps taken to account for monies which the Minister for E&M said had been 'misappropriated'. In their submission, the MPs stated that petitioning the government for an explanation was within the framework of good governance because the issue concerning TANESCO's management contract had 'raised more questions than answers among the public'. The House Speaker, in a letter dated on 11 April 2002, informed the MPs that their petition could not be entertained because it was 'unprocedural' and was against a Parliamentary Standing Order which requires that only one MP signs such a submission.

Following the Speaker's refusal to allow the petition from MPs, a Member of Parliament for Mbozi West, moved a private member's motion on 13 April 2002, calling for the formation of a Parliamentary Probe Committee (PPC) to examine the functioning of the PSRC in relation to privatisation of public enterprises. In his petition, the MP cited the contractual problems of the National Bank of Commerce (NBC), Tanzania Telecommunications Company Limited (TTCL) and TANESCO privatisations as cases that called for an immediate investigation into the PSRC's *modus operandi*. He contended that the entire privatisation programme was 'politically motivated' and its effects would have far reaching implications socially, economically and politically.

Three days after the petition to undergo a probe committee on the PSRC was received by the Speaker, the Minister for Finance made two announcements in the House. Firstly, he announced that the government had decided to restore the subsidy it had removed in 1999 on power consumption for domestic users and would subsidise up to 100 units of the power consumed by each individual consumer. Explaining the basis of the government decision to restore the subsidy, the Minister stated:

> 'TANESCO is like a sick person who requires all kinds of measures to restore his health. While government subsidy on its products is one such measures, there is need to bring the sick person to a 'good doctor' for a better intended future. This, therefore, provides good reasons for management change.'

Secondly, the Minister informed the Parliament that the government had decided to hand the probe on PSRC over to the Prevention of Corruption Bureau (PCB), with instruction to look into how the agreement with NGS was reached. He stated further that PCB would also investigate how the agreement between TANESCO and IPTL was consummated. According to the Minister, the decision to involve PCB in probing these issues was based on two factors including the cost aspect, if a parliamentary probe committee was to be involved; and PCB's competence in undertaking such assignments.

One day following the Finance Minister's announcements, there was a mini Cabinet reshuffle whereby the Minister for E&M (hereinafter referred to as Mr X) was replaced by someone new (hereinafter referred to as Mr Y). The removal of Mr X from the MEM was explained as resulting from his 'failure to convincingly explain to MPs about tariff hikes and the signing of the contract agreement between the government and the South Africans' government efforts in privatising TANESCO were bolstered by a statement issued by the Swedish Ambassador to Tanzania in April 2002, urging the government to 'immediately' divest the energy sector because 'given the opportunity, the private sector would by far prove to be more cost-effective in achieving the country's energy goals compared to the public sector'. This statement prompted the then President to address the nation soon after, explaining the government's intention to privatise TANESCO and attacking the firm's management for failing to serve the country's people. Reiterating the government's decision to sign an agreement with NGS, the President said that TANESCO's major and only problem was poor management and

> '[T]herefore, in order to save consumers from paying high electricity tariffs and other woes resulting from an inefficient management, the government has signed a contract with Net Group Solutions to manage TANESCO. Contracting a foreign firm to run TANESCO is not only inevitable but also long overdue, and should be understood in the context of state interest to improve TANESCO's efficiency.'

The President went on to explain that although the government owes TANESCO over Tsh 52 billion in unsettled power bills, 'it is not true that outstanding bills are the source of TANESCO's problems'. According to the President, TANESCO had incurred heavy losses consecutively, since 1995, including Tsh 26.4 billion (1995); Tsh 3.7 billion (1996); Tsh 3.1 billion (1997); Tsh 14.2 billion (1998); Tsh 25 billion (1999); and Tsh 61.7 billion (2000). In his view, settlement of bills would, therefore, not solve the problems besetting the firm.

On 1 May 2002, a group of five NGS managers arrived at the TANESCO Headquarters in Dar es Salaam, ready to begin work on the public utility. The government had arranged for NGS to access TANESCO offices, while workers were on May Day celebrations. However, the South Africans were confronted by a group of 300 angry TANESCO workers. The workers carried placards and chanted slogans to ridicule NGS as well as the government decision that had awarded the tender to NGS. Some of the words in the placards included: 'TANESCO is a public property, it is not the property of a few greedy government leaders'; 'Boers, go back home, you are only competent to manage a small workshop – not TANESCO'; and 'We have the right to query problematic contracts'

The government issued an ultimatum on 15 May 2002, demanding that the workers who had besieged TANESCO head offices should vacate the premises or 'force would be applied' to remove them. After this call had gone unheeded, a

contingent of heavily armed members of the paramilitary Field Force Unit (FFU) arrived at the TANESCO head offices on 17 May 2002. FFU is the country's riot police unit, which is deployed to quell riots and 'illegal' demonstrations against government. On arrival, it dispersed the workers, throwing tear gas canisters and unleashing police dogs on them. After the workers were dispersed, the main gate was opened and the new managers moved in to take their offices. On the same day, the TANESCO'S local Managing Director (MD), and four of his senior managers from Corporate Services, Technical Services, Operations and Supplies directorates were sent on compulsory leave to pave the way for NGS managers. Armed members of the FFU remained at TANESCO head office for several weeks to ensure the new managers were not distracted from managing the firm.

Performance of TANESCO under privatisation

Upon starting work at TANESCO, the company's new Managing Director (MD) from South Africa gave all TANESCO customers 21 days to settle their power bills or face power disconnection. Announcing this decision, the new MD argued that TANESCO would be empowered to supply electricity to the 90% of the rural population, if the 10% who have access to electricity settle their bills totalling to Tsh 111,858,164,727. He stated that the government owes Tsh 70 billion (i.e. 63%) of the total amount owed. After the 21 days had passed, TANESCO began implementing power disconnections, starting with what are regarded in the country as 'sensitive ministries and institutions' including the Ministry of Defence and National Service (owing Tsh 6 billion), Ministry of Home Affairs (Tsh 5 billion), and the Dar es Salaam Water, Sanitation and Sewerage Authority (DAWASA) (Tsh 5 billion). It would be almost a treasonable offence if the previous management were to disconnect power in any ministry. Hardly a day following power disconnection, these institutions rushed to TANESCO to settle part of their long-standing power bills including Defence (Tsh 1.2 billion); Home Affairs (Tsh 300 million); DAWASA (Tsh 900 million); and Zanzibar (Tsh 174 million).

TANESCO MD's disconnection order began to indicate signs of sabotage when technicians disconnected power to customers who had paid their bills regularly, creating a countrywide furore. One such customer was Tanzania Posts Corporation, which filed a suit in Court, claiming Tsh 500 million compensation. Another new problem also arose whereby a person's popularly, known among the local people as *vishoka* (i.e. illegal electricians), moved from one premise to another, assisting those whose power had been disconnected to illegally 'tap' electricity.

Despite measures taken by the new management, a wave of accusations greeted the new managers on account of continued power interruptions and hikes

in tariffs. Besides, TANESCO reported a revenue loss of 40% and had been able to collect only Tsh 9 billion or 10.6% of the total outstanding debt. In what appeared to be a response to being accused of 'lack of managerial skills' in running TANESCO, the NGS managers signed a Tsh 70 million deal with the South African-based University of Stellenbosch Business School to conduct business training for them in Tanzania. The cost of this training was borne by TANESCO.

The government's frustration on TANESCO's performance was revealed on 28 March 2003, when the Minister for E&M summoned the TANESCO board chairman and gave him a two-week ultimatum to provide explanations on several issues; including why power interruptions in the country continued unabated; why power tariffs had not been reduced; and what contingency plans were in place to end the power crisis facing the country. TANESCO's response to the ministerial ultimatum was contained in a letter to the Commissioner of Energy on 10 April 2003. In its defence, the new management blamed the situation facing TANESCO on the agreement signed between the government and IPTL. The letter stated in part:

> 'the financial models (in the agreement) show that the combined effects of the power purchase agreement (PPA) on the current and future structure of TANESCO, as well as the resultant electricity market after restructuring would be severe, if not completely unimplementable.'

By November 2003, an assessment of about two years of TANESCO performance under the new management from South Africa revealed that the company's performance 'had declined drastically, both financially and technically'. However, the government announced that it would grant the firm a monthly subvention of Tsh 7 billion to meet running costs for its two gas turbines at the Ubungo power station. This was a far cry from government's intention to take TANESCO off the government budget through the signing of the latter's Management Service Contract. The government also applied for Tsh 70 billion from the World Bank to finance further restructuring of TANESCO, improve power reliability and expanding the power supply system.

At about the same time, the government was challenging TANESCO over poor performance. Newspaper Reports revealed that two top government leaders teamed up to form a private company known as TANPOWER Resources, 'with their wives, children and in-laws listed as shareholders'. TANPOWER Resources bought shares in the then state-owned Kiwira Coal Mine and re-named it Kiwira Coal and Power Limited (KCPL). Shortly afterwards, KCPL entered into a USD 271 million (about Tsh 340 billion) with TANESCO for the supply of coal-fired electricity to the National Grid.

NGS' two-year contract to manage TANESCO ended on 30 April 2004. However, instead of terminating the contract on the basis of the unsatisfactory per-

formance, the government renewed the contract with the firm for 30 months for USD 5,688,182. The government could have terminated the contract because NGS had failed to deliver desired results and TANESCO experienced a number of operational and managerial inefficiencies including high production costs, poor billing, poor fund collection system, and rampant corruption resulting in operational losses and cash flow difficulties. In its letter to the IMF dated 22 July 2004, the government acknowledged TANESCO's problems and stated that the government was transferring Tsh 125 billion, or 1% of GDP to TANESCO 'to cover the deterioration of its finances resulting from drought, oil prices and the financial impact of past investment decisions taken by government'. The government's statement acknowledged the assertion, by the former management, that TANESCO's problems were multifaceted and that no management, however efficient, could solve them without government support. It also acknowledged the fact that some of the power utility's problems were the consequence of government intervention in the firm's investment decisions.

The biggest test for NGS in TANESCO came in 2006 following a prolonged drought that threatened a countrywide black-out due to load-shedding. Responding to the problem, TANESCO's MD expressed TANESCO's urgent need for thermal generators to save the country from a looming blackout. To get the generators, TANESCO contracted three foreign firms to deliver gas turbines: Richmond Development Corporation (RDC) of USA (100MW); Wartsila of Finland (100 MW); and Aggreco of the United Arab Emirates (40 MW)]. According to the TANESCO management, the three firms had been selected on the basis of 'thorough scrutiny of their documents by experts'. RDC pledged to deliver the power equipment within 150 days. Based on this assurance, the Forth Phase government's newly elected President gave a televised statement assuring Tanzanians that RDC would deliver the USD 172 million worth of new power equipment before 15 October 2006. However, it was revealed that RDC was not a registered company in the USA, as it had claimed.

These events in the power sector resulted in the removal of, by the new President, the Minister for E&M and his deputy. Meanwhile NGS had submitted an application to renew its management contract with TANESCO for a third term in November 2006. This application was turned down by the new Minister for E&M. Explaining TANESCO's predicament under NGS, the Minister said that the power utility had registered a Tsh 70 billion overdraft and was in a pathetic situation that would require four years to rectify. After failing to renew its contract with the government, NGS' South Africa-based Chairman summed up their experience in TANESCO, saying that no manager could possibly succeed to run TANESCO under the prevailing conditions.

In 2008, a Parliamentary Probe Committee was constituted to investigate how the tender to supply thermal generators to TANESCO was awarded to the so-called Richmond Development Corporation, a non-existing firm. In its Report, the Committee observed that the award of the tender to RDC was corruptly consummated, and implicated some highly placed government officials. This prompted the resignation of the country's Prime Minister (PM) and two other senior Ministers. Following the PM's resignation, the President dissolved the government, dismissing the entire Cabinet.

Questions

1. Public officials are rent-seekers who tend to 'maximise their level of compensation'. Explain what you understand by this statement. Under which conditions might this statement be true?
2. Generally speaking, what are the arguments against the assumptions against the proponents of privatisation and marketing production?
3. Explain what you understand by public officials' behavioural continuum. What is the continuum depicting? How can it be applied in analysis?
4. Identify rent-seeking behaviour by public officials and by private entrepreneurs in the case study. What are the conditions that make this rent-seeking possible?
5. Can you identify corrupt behaviour by public officials and by private entrepreneurs in the case study? In what way do you distinguish this behaviour from rent-seeking? What are the conditions that make corrupt behaviour in the case study possible?
6. From your analysis of the case study, was the decision to privatise the Tanzania Electric Supply Company in accordance with the Washington Consensus? Explain your answer.
7. After viewing this case study, what would you generally say about privatisation as a policy choice in emerging economies?

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