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Oiling the wheels of a crooked system?

As President Mary McAleese visits Africa, Joe Humphreys reports from Tanzania on whether and how "good governance" can be brought to the world's poorest continent

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Welcome to Tanzania.



Dogged not only by corruption but chronic poverty, the East African country is somewhat typical of a continent perceived in certain quarters as ungovernable. A colourful, vibrant yet exasperating nation, it receives more than €600 million in development aid a year but remains one of the poorest places on earth. President Mary McAleese is due to visit on

June 18th and 19th as part of a three-country tour of Africa to see what progress is being made but, to many, Tanzania – like the continent as a whole - is mostly a story of failure. If the Tanzanians can't make it, with their lush farmland and the benefit of a strategic regional trading location, not to mention relative civil and tribal peace, who can? Such is the question asked by foreign donors who have poured money into food security and infrastructural projects that have since fallen into decline or disrepair. Excuses for failed aid in Africa have been made down the years: drought and other such natural disasters; colonialism and its legacy; global debt; unfair trading rules, and so on. But recently focus has centered on the altogether more mundane problem of theft, or more precisely, bad governance.

In Tanzania, the phenomenon is not hard to find, with one example of apparent malpractice transpiring almost next door to the Irish embassy in Dar es Salaam. A seven-storey apartment complex in the Tanzanian port city was attacked in the dead of night just two weeks before it was due to open - its perimeter wall and outer buildings bulldozed and its living quarters ransacked.

The culprits? Council officials and their hired hands who claimed the development was unauthorized. But the developers subsequently released to local newspapers a copy of a permit signed by the planning authority allowing for the project. Shortly after *The Irish Times* visited the damaged site, police barred the media from entry, fuelling further suspicion about the case – with allegations flying of an extortion racket run by some council officials. As with all such murky dealings, the truth is hard to uncover. But what if corrupt individuals are caught red-handed?

Several high-ranking administrators, and even government ministers, have been implicated in financial scandals but not one has been punished. A national forum on corruption was set up almost a decade ago but its report has been ignored. Its chairman Justice Joseph Warioba in May accused Tanzania of paying lip-service to the problem, and engaging in a "deliberate cover-up". He noted: "Conflict of interest is no longer a bar to the work of professionals. Honesty, fairness and justice have become rare commodities."

What are donors to make of this? Should they be in Tanzania at all? Is their money not just oiling the wheel of a crooked system?

International aid agencies, including Irish aid - the development wing of the Department of Foreign Affairs, have been grappling with these questions for some time and, in doing so, have edged towards a common conclusion. They now believe demanding good governance from African states is not enough; one must help to create it too. It is a risky strategy: investing money in a corrupt government in the hope of making it less so. But, then, aid workers would say that any mission in the developing world has its risks.

The key question is whether this mini-revolution in the way in which donors give aid will actually work? Or will it amount to throwing alcohol at a drunk? In Tanzania, much hope is being pinned on a recently-launched €7 million three-year reform programme for local government. The project, to which Ireland is contributing €2 million in 2006, entails devolving power to the country's 120 district councils – bodies which have responsibility for key services like education and health. The plan is to give such councils more

financial autonomy and in turn hold them accountable for any lost funds. "Corruption is endemic in all walks of life, from the government to the guy in the local village," says Brendan O'Driscoll, a Corkman employed by the Tanzanian government as chief technical adviser to the reform programme.

"But to me there is a solution; if you misbehave you don't get any money until you sort yourself out."

Under the new incentivised local government regime, each district is assessed annually and if it fails to provide proper accounts it is denied future funding. Competition for good governance is thereby created between neighbouring districts whose inhabitants can see, if not feel, the fall-out from corruption.

Some local politicians have opposed the plan, saying it is not fair to penalise impoverished villagers because of the sins of their representatives. But President Jakaya Kikwete has thrown his weight behind the reforms, which have already turned up countless irregularities, not least in his home district of Bagamoyo, 70 kilometres north of Dar es Salaam.

The local authority in the one-time capital of German East Africa had an adverse audit report last year, and missed out on a tranche of funding. Since then, however, it has been trying to amend. Or so says stand-in district director JM Marfu.

"At the beginning there were some problems. The communities were not sure whether they could manage to do things on their own, especially manage finances," he says.

"Now they are capable and doing well. Of course you cannot say they are doing well 100 per cent. Some are not as committed as others."

Sitting below a framed photograph of Kikwete in his small office, Marfu offers some clues as to the scale of his task. There are no computers to be seen. Basic information must be sourced from a rusting filing cabinet in the corner of the room. On the table before him is a telephone, a calculator and a tray full of rubber stamps – the paraphernalia of a state bureau in 1970s Ireland.

Marfu is lucky, however. Some local authorities lack even paper and pens.

"Consider the size of the country (almost twice the size of France) and the fact that it has no infrastructure beyond the towns and you'll get an idea of the difficulty in creating a paper trail and local accountability," says O'Driscoll. In the 10,000 village committees that report to district councils, he says, "you are dealing with semi-literate, innumerate people living in abject poverty. And you are telling them to send in regular accounts!"

It is not just district managers who are on a steep learning curve. Joyce Haule, head teacher at Kizuiani primary school, one of 110 operated by the Bagamoyo council, says her workload has increased dramatically since the reforms began. With financial

autonomy now devolved to school committees, she must organise three to five quotations for every local purchase, be it a new set of schoolbooks or a mere tin of paint.

The principal, who has had to reduce her teaching commitment from 20 classes a week to just five because of the paperwork, must also handle the demands of villagers who are being asked for the first time to contribute financially to state-funded projects. "This was a big change for the people," says Haule of a 13 per cent contribution demanded locally for the construction of classrooms.

"But it has created a feeling of ownership that was not there before." An increased sense of public ownership was also evident at the nearby medical dispensary in the village of Zinga. Its clinical officer Donald Malamsha said it now had the power to request specific medications from the health ministry on foot of villagers' requests. "In the past, they would send us something which wouldn't be our preference," he says. Perhaps the most groundbreaking change, however, is the way in which people are now given details of public spending in their villages. On the first day of each month, sealed medical supply kits are opened before village representatives who verify the quantities. At schools, detailed accounts – showing a breakdown of expenditure – are posted on outdoor notice boards, thus allowing the community to see exactly where its money is being spent.

O'Driscoll admits such initiatives are of limited value "when only three to four people in a village can read, and perhaps none can properly analyse the figures". But the mere fact that information is made available as of right has allowed people to challenge local politicians and administrators for the first time. "We have recently seen chairmen of villages being kicked out if they are found stealing money," he says. "That would never have happened before."

In tandem with this, there has been a marked improvement in audit reports, with the number of councils failing to make the grade in financial assessments falling. Outside observers have also noted an improvement in local governance.

In 1998, Tanzania was ranked as the fourth most crooked state in the world in Transparency International's Corruption Perception Index. By 2005, it had risen to 64th from the bottom out of 159 states. The ruling cabinet – populated by several no-nonsense women dubbed "Kikwete's babes" – has been drawing plaudits from figures as diverse as George W Bush and Bob Geldof.

Economic indicators are also on the up. From the negative growth of the 1980s, Tanzania now boasts an average growth rate of six per cent. The change is visible, particularly in the number of cars now vying for space on Dar's narrow streets. The new wealth is far from evenly spread, however. A pronounced two-tier society is emerging in what was once a staunchly socialist state. This throws up a fresh governance challenge: how to ensure that, with increased prosperity, power and influence doesn't just pass from a political elite to a business one.

Some ominous signs have already emerged, particularly in the area of land reform. The government introduced what seemed like progressive legislation giving peasant farmers legal rights over the land. However, those entitled to "customary ownership" certificates have tended not to apply, chiefly because of the 40-plus application forms that need to be filled out – an impossible task for the typical villager who lacks any formal education. The result is that speculators have been buying up peasant-occupied land – either by getting farmers to unwittingly sign away their rights or by bribing local village chairmen to give the land over.

In the tourist mecca of Serengeti, a district commissioner and police chief were found guilty by the state's Human Rights Commission of illegally and violently evicting tenants. However, the government has refused to act on the judgment, and worse still, "those responsible are still in office and are still harassing people," says Helen Kijo-Bisimba, executive director Legal and Human Rights Centre, a local non-governmental organization (NGO), part-funded by Trocaire, which has appealed the government's decision to the courts. The normality of such experiences has led some to depict corruption as an "African disease" – a claim with which many people rightly take issue. After all, estimates for the cost of corruption in Africa roughly equate to the cost of VAT fraud alone in the EU (a cost put at €100 billion annually). But few would deny that corruption is particularly deep-seated in African states – and particularly a version of the cancer that preys on the poor.

Among the reasons cited for poor governance are poverty, underdevelopment, tribalism and colonial influences, especially the creation of a clientalist culture orbiting around the local "big man". John Ulanga, head of the Foundation for Civil Society, a Tanzanian NGO umbrella group part-funded by Irish Aid, believes the key to beating corruption is creating a new relationship between the public and their paid servants.

"There is an idea that if you get a public office you are untouchable and bye-bye to poverty." Local administrators, he says, "only want to be accountable to their own families and their pockets", while the public takes "a laid back position, saying *Inshallah* – God willing – because of our socialist background." Kijo-Bisimba concurs, saying the main cause of corruption is not low pay in the civil service but "an attitude of mind. Many people, even learned people, are not aware of their rights, or are not assertive enough."

She blames donors in large part for this, saying: "Traditionally, donors come to our country, they want to establish something, so they give the people money. That has made us handicapped. Now if you come to a village to tell them about their rights they say, 'You must give us money first'.

"Thankfully, donors are now changing the way they operate." But still, she says, it will "take some time" to reverse people's mentality, and conquer the blight of corruption that comes with it.

The lesson for donors is that they must be patient if they wish to see results - more patient perhaps than they are comfortable with. Investing in governance – be it in local administration or civil society - is a long-term investment, quite unlike the "band aid" development assistant of old. Donors - and the taxpayers who fund them – may, therefore, need a change in mindset of their own.

"There is a perception among donors that nothing is happening – that they dish out the money and nothing is coming from it," says Kijo-Bisimba.

"It's good they want to see outcomes. But with the kind of work we do – challenging the system, trying to create accountability – you might have to wait years to see an outcome, and it might be there and it might not be there."

What goes unsaid is the important thing - that she and those like her keep on trying.

MONEY Trail

- Corruption costs Africa's economies more than €18 billion a year, according to a 2002 study of the African Union.
- Transparency International ranks Africa as the most corrupt continent in the world. Of 44 African nations covered in its 2005 Corruption Perceptions Index, 31 scored less than three – “a sign of rampant corruption” – on a scale of zero to 10. Tanzania scored 2.9, while Chad – deemed the most crooked state in the world – scored just 1.7.
- Corruption closely tracks poverty, with the average life expectancy in Tanzania just 46 years, and GDP per capita 1230.
- The World Bank, under its recently appointed president, American Paul Wolfowitz, has made tacking corruption in developing countries its stated top priority.
- African Union members three years ago established a “peer review mechanism” to improve standards of governance. Rwanda and Ghana were first to undergo the test. This year it is the turn of South Africa and Kenya.
- Irish Aid, the development wing of the Department of Foreign Affairs, is due to spend about 80 per cent of its 2006 budget (of 1734 million) in Africa. In some states, up to a third of Irish Aid funding goes directly to African governments.

* Joe Humphreys's visit to Tanzania was funded by the Development Education Unit of Irish Aid.

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Where bribes buy secrecy, 10 June 2006



Hoping to get things straight: supporters of Tanzania's Chama Cha Mapinduzi party hold up posters of President Jakaya Kikwete at a rally during last year's election campaign. Photograph: Khalfan Said/AP

On the eve of President Mary McAleese's trip to Africa, **Joe Humphreys** reports from Tanzania on anti-corruption innovations that link donation levels with accountability

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IF THE TANZANIANS can't make it, with their lush farmland and the benefit of a strategic regional trading location, not to mention relative civil and tribal peace, who can? Such is the question asked by foreign donors who have poured money into food security and infrastructural projects that have since fallen into decline or disrepair.

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What are aid donors to make of this? Should they be in Tanzania? Is their money not just oiling the wheel of a crooked system? International aid agencies, including Irish Aid - the development wing of the Department of Foreign Affairs - have been grappling with these questions for some time, and in doing so have edged towards a common conclusion: demanding good governance from African states is not enough; one must help to create it too.

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Series continues on Monday: Is the public being misled by both the Government and NGOs about the risk of corruption?

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