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# **Corruption, Politics, and Societal Values in Tanzania: An Evaluation of the Mkapa Administration's Anti-Corruption Efforts**

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## **Abstract**

This article traces the evolution of corruption as a political issue in Tanzania and evaluates the efforts of the Mkapa administration to control it. Corruption is conceptualized as embedded in societal, economic and power relations. However, many of the anti-corruption efforts are part of liberal reforms that are based on the assumption that corruption is an individual act or personal misuse of public office for private gain. These liberal reforms are, at best, of limited value because they fail to take into account much of the dynamics that support corruption in Tanzania. While the Mkapa administration has taken partially successful steps to control corruption, these efforts have not fundamentally undermined the supporting environment for corruption in the country.

## **Introduction**

This article attempts to gain a better understanding of corruption and efforts to control it through a case study of Tanzania. Since the socialist era of the 1970s, policy makers have been concerned about corruption. During the Nyerere years, corruption was defined as a form of oppression that undermined egalitarian values. However, reports of misuse of office, especially in the cooperatives and parastatals, grew with the expansion of the state's economic role. Under the economic liberalization policies of the second President, Ali Hassan Mwinyi (1985–1995), corruption spiraled out of control prompting donors to freeze aid in November 1994 (Kiley 1994). In 1995, during the first multi-party elections in thirty years, opposition political parties attempted to transform popular resentment against corruption into electoral support. However, the ruling party CCM (Chama cha Mapinduzi/Party of the Revolution) managed to manipulate this issue as well. It chose a politician untainted by scandal as its presidential candidate, thereby undercutting the opposition's ability to gain political advantage. On the campaign trail, CCM's Benjamin Mkapa promised to wage a war on corruption. How successful has Mkapa's government been in reducing

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corruption? In this article, we argue that progress has been made because corrupt activities are no longer tolerated as they were during the previous administration. However, little change has taken place in the attitudes, social structures, and power relations that contribute to widespread corruption in Tanzanian society.

### **Individual Wrongdoing vs Socially Embedded Corruption**

For pedagogical purposes it is worthwhile acknowledging that corruption can occur within two different types of social, political and economic milieu (Caiden and Caiden, 1977; Blunt and Popoola, 1990; Theobald, 1999).

The first is a situation where individuals misuse public office for personal gain. This type of corruption takes place in a modern, rational, Weberian-bureaucratic system, where there is a clear division between public and private life. Societal norms support bureaucratic procedures that emphasize equal treatment based on the unbiased application of laws. For example, merit criteria are used for hiring, promotion, and dispersing service. In such a system, corrupt behavior violates bureaucratic procedures, organizational norms, laws, and larger societal expectations for the appropriate behavior of its public officials.

With the second situation the problem is not rogue individuals but, rather, a system where corruption is embedded in society. In this situation, corruption is institutionalized and becomes the norm rather than the exception. The extensive literature on 'patronage' and 'big man' politics stands as testimony that, for many observers of Africa, corruption is a core element of the state and society.<sup>1</sup> In patronage systems, while there is a legal fiction of the Weberian bureaucracy, nonetheless norms, expectations, and actions of the public and their officials are based on differential application of rules, unequal access to services and preferential treatment. In short, the patronage networks – to which public officials belong – uphold the value of appropriating resources from the state to further the collective interests of the family, clan, ethnic group, region, or religion. The Tanzanian situation fits the criteria of systemic corruption. Corruption has become part and parcel of daily life and is tolerated, accepted, and institutionalized to the extent that both people who give and receive bribes have internalized that behavior.<sup>2</sup>

The reason for calling attention to the distinction between 'individual' and 'systemic' corruption is to highlight the problem of *a priori* assumptions that underpin policies designed to reduce corruption. In countries where corruption is systemic, anti-corruption efforts that start from the assumption that corruption is a 'individual' problem will not produce significant results because the actors, values, norms, economic relations, and behaviors that uphold the existence of patronage systems will actively seek to undermine reforms. This is the point that Reno (1998) makes when he notes that IMF and World Bank liberal reforms are inherently limited. Indeed, as with many African countries,

Tanzania's efforts to combat corruption are built on an atomized, individualistic, legalistic definition of corruption that focuses on the misuse of public office for personal gain. This only captures part of what corruption is all about. Legalistic rational bureaucratic conceptions do not take into account the analytical reality of corruption as a political, economic, and social process that often has strong support from within the social networks to which a public servant belongs. By ignoring this reality, legalistic solutions based on institutional changes and stricter enforcement of rules are unlikely to effectively contain the widespread and systematic abuse of office supported by social networks. If legal and institutional reforms are not applied in tandem with fundamental societal changes that alter power relations and raise civic competence in dealing with corruption, then the prospects of making significant inroads into reducing corruption will remain remote (Theobald, 1999).

In societies with systemic corruption, Tanzania included, corrupt practices are embodied in existing power relations and therefore need to be analyzed in regard to their effect on the lives of people engaged in their daily struggle for social, economic and political existence. Anders (2001), in his study of corruption in Malawi, notes that, in a situation of extreme national poverty, the state becomes something like a welfare mechanism for those civil servants who can access its resources. While most accounts of systemic corruption note the plundering of state resources by its functionaries, it should also be recognized that officials use their positions in the state to extract resources directly from society. While, no doubt, some of the gains from corrupt activities are for the personal benefit of individual public officials, these resources also feed social support networks based on kinship and/or patronage ties, often of an ethnic nature (Anders, 2001; Joseph, 1998; Ekeh, 1998; Bayart, 1993). For many public officials, the obligations to these social support networks outweigh any sense of responsibility to protect public resources for a larger general good. Membership in kinship and patronage networks, fueled by material shortages and economic hardship, force civil officials to disregard the notion of a public/private boundary line that makes possible the efficient performance of duties in western Weberian bureaucracies. In short, African civil servants are under pressure to abide by an alternative moral code that stresses their social obligations to family, friends, and clients (Ekeh, 1998). Students of African politics (Munishi, 1989; Bayart, 1993; Chabal, 1992; Anders, 2001) show how public officials in Africa have misappropriated public resources to invest in their private businesses to provide employment for family members; to provide basic needs to their relatives such as food, clothing, shelter, and schooling for children; and to contribute to the burials of friends, clients and family.

While, clearly, liberal solutions do not account for the context of embedded corruption, they should not, however, be disregarded. For example, micro-economic concepts, like 'externalities' can be a useful starting point for making

inroads against systemic corruption. For example, the notion of externality calls attention to the relationship of an individual or group to a corrupt act. When it has a direct tangible negative impact on an identifiable groups or individuals, this means there is an existing interest to control that specific act. For example, when a traffic policeman extracts a bribe from a motorist, the driver may feel angry because she felt harassed. It is conceivable that those negatively affected by this type of corruption could be a useful counterforce if empowered. In essence, those who are forced to absorb the costs of other people's corrupt activities have a ready interest to change that activity.

However, sometimes corruption can be beneficial for individuals and the costs can be pushed on to an ill defined 'other'. This approximates what might be called 'abstract corruption' because it is difficult to discern a cause and effect relationship; therefore, no readily identifiable group exists with an interest in controlling it. In this way, corruption could be thought of as being similar to the economic idea of a negative externality. A noteworthy example of a corruption externality occurred under President Mwinyi in 1993.<sup>3</sup> A businessperson named V. G. Chavda and his brother P. G. Chavda, obtained a \$3.5 million loan under DCP (Debt Conversion Program)<sup>4</sup> promising to rehabilitate sisal plantations in Tanga through upgrading and building workers' houses and dispensaries, buying and repairing decorticator machines, and replanting neglected sisal farms. The Chavdas claimed that, within ten years, they would create 1 400 jobs and earn \$42 million in foreign exchange. Instead, the Chavda family diverted DCP funds outside the country by buying fictitious machines and spare parts. According to press reports, high ranking government officials, including the Permanent Secretary in the Office of the President, provided the Chavdas with political cover. Augustine Mrema, who was then the Minister for Home Affairs, promised that Chavda would be brought to trial. However, Chavda escaped prosecution and the public, through its parastatal banks, absorbed the loss from the bad loan. It was difficult for Mrema to rally support, in part, because the costs of the corrupt act were absorbed by the parastatal banks which could push off costs onto even more diffuse groups like the state and donors. In short, there was little incentive for groups to counter the political forces protecting Chavda.

Thus, in situations of embedded corruption, altering corrupt behavior is likely to be problematic and require nothing short of fundamental societal change that includes restructuring power and economic relations as well as developing new norms. With abstract corruption, where the costs are transferred to an ill defined general public, its control is problematic. However, incidents of corruption that transfer costs to an identifiable group that can understand a cause and effect relationship creates the possibility for their mobilization to counter specific practices where official positions in the state are misused. This suggests that empowering<sup>5</sup> those groups that are forced to absorb the costs could be an important step toward reducing some aspects of corruption.

This requires commitment on the part of top leadership and major actors in society as well as conscious efforts to empower the general public to fight corruption without fear. Such steps will not transform systems of embedded corruption into ideal rational-bureaucratic systems. However, there is the possibility of moving from situations of malignant corruption, where there is no expectation that work will get done or that minimum quality standards will be met, to productive corruption, where, in addition to the criteria of patronage, expectations of economic efficiency are also involved.<sup>6</sup>

### **Corruption as a Political Issue and Mkapa's Rise to Power**

The Arusha Declaration, which ushered in *ujamaa*<sup>7</sup> in 1967, marked a rapid expansion of the state and ruling party's economic role through nationalizing industries and distribution networks. But state control over the economy did not increase production or efficiency. Rather, by the 1970s, there were signs of shortages of consumer and even essential goods that further intensified during the economic crisis years of the 1980s. The growth of a state sector economy also reoriented power relations. Resources were transferred from the private to the public sector and state employees, particularly at the managerial level of parastatals, used their offices for private gain. Parastatal Regional Trading Companies (RTCs) and cooperative shops became the only legal source for many goods like foodstuffs, sugar, building materials, radios, and batteries. Because they controlled the allocation of scarce goods, RTC employees became very powerful. Consumers often had to pay bribes or give favors to these employees in order to obtain goods at the subsidized official prices (Ndumbaro, 1993). In order to counter this graft the Nyerere government enacted a leadership code and tried to enforce socialist norms against the abuse of power. However, decreasing donor assistance during the 1980s, stemming from a conflict with the World Bank and IMF over structural adjustment policies, increased economic problems. The state lost its ability to pay public servants a living wage. Official salaries, even at managerial and executive levels, fell below subsistence needs, creating incentives to look for side incomes. As the state controlled economy declined, an informal one rose to take its place (Tripp, 1997). Smuggling was rampant. In the end, the harsh realities of scarcity and poverty overwhelmed the dedication to socialist equality and corruption grew strong societal roots.

By 1985, Nyerere saw the futility of resisting the structural adjustment programs and stepped down from power allowing the second President, Ali Hassan Mwinyi, to enter into an agreement with the Bretton Woods institutions. In order to combat public graft, neoliberal theories suggested reducing the size of the state controlled economy in order to decrease the opportunity for corruption to influence the administrative allocation of resources. However, liberalization coincided with increased corruption and, toward the end of Mwinyi's second

term, Transparency International was consistently listing Tanzania as one of the most corrupt nations in its annual rankings.<sup>8</sup>

In the early part of 1995, corruption became the central issue in Tanzania after Mwinyi's government failed to take any significant steps against Mohamed Enterprises, which was allegedly distributing food unfit for human consumption. Augustine Mrema, the powerful and popular Minister of Home Affairs, promised that this well connected company<sup>9</sup> would be punished. However, efforts to do so resulted in Mrema being demoted to Minister of Youth and Culture. Exasperated, Mrema blasted the Mwinyi government for its complicity with high level corruption, provoking his removal from the Cabinet (*Majira*, 2/25/95). Mrema responded by quitting CCM and joining the political opposition where he emerged as the Presidential candidate for NCCR-Mageuzi. Mrema, due to his anti-corruption activities, earned a considerable degree of personal popularity, making him the main electoral threat to CCM and its presidential candidate for the October 1995 elections.

In addition to the challenge from Mrema, CCM faced another populist test in the form of the Reverend Christopher Mtikila of the unregistered Democratic Party. Mtikila capitalized on a widespread belief that, under Mwinyi, bribery was used to access opportunities, property and power. Throughout 1993 and 1994 Mtikila held popular political sermons where he painted a picture of rich Asians amassing fortunes through bribing African political leaders. He charged that the country was controlled by one 181 *magabacholi* (wealthy non-Tanganyikans) who transferred the wealth of Tanzania abroad while the *walalaho* (dispossessed Africans) lived in abject poverty.

By the election year of 1995, CCM was anxious to fend off the electoral challenge from the newly legalized political parties, especially in the form of NCCR-Mageuzi's Presidential Candidate, Augustine Mrema. Mrema had the personal appeal to bring the corruption issue to the center stage of the campaign and his past efforts to combat this vice gave the opposition the high moral ground on this issue. Concerned about the vulnerability of CCM, Julius Nyerere, the still highly influential, retired first President, decided to act. In March 1995, Nyerere shocked the nation and the ruling party CCM by accusing CCM leaders of allowing corruption to get out of hand. In a phrase that became commonplace, Nyerere declared that the country "reeked of corruption".

It was against this backdrop that CCM met in Dodoma to select its presidential candidate. There was a strong desire by top CCM officials, Julius Nyerere in particular, to distance the party from the extensive corruption of the previous regime. This would not be an easy task because, of course, the former government was also CCM. In the end, the relatively unknown Benjamin Mkapa, a candidate untainted by a corruption scandal and who enjoyed strong support from Julius Nyerere, won CCM's nomination (TEMCO, 1997: 66). Mkapa's selection as the ruling party's presidential candidate was a shrewd tactical move

aimed at transforming the public's perception of CCM from that of a corrupt party to one interested in reform (Finnigan, 2000: 7).

## **Efforts to Fight Corruption**

After winning the election, Mkapa quickly took steps to fulfill his campaign pledge. On 17 January 1996, he established the Presidential Commission on Corruption, popularly known as the 'Warioba Commission'. The Commission's terms of reference included: evaluating laws, regulations and procedures in order to reduce corruption in tax collection, the issuing of licenses, and tendering. The commission also examined the capacity of various anti-corruption agencies and offered suggestions on how they could be strengthened. The political significance of the Warioba report was that it signaled a new openness on the part of the government regarding corruption. In the years following its publication, the press has vigorously reported on corruption, including the IPTL electricity supply scandal,<sup>10</sup> corruption in the construction industry, and corruption during CCM's 2000 primary elections.

The Mkapa government has taken a pragmatic approach to curbing corruption that entails calling attention to the problem through a publicity campaign, strengthening anti-corruption institutions and purging in the 'public interest' a number of state employees. Mkapa has urged professional bodies to become more involved in reducing corruption and overseeing the activities of their members (Lyimo, 2000: 1,3).<sup>11</sup>

Beginning in 1998, the Prevention of Corruption Bureau (PCB) was revitalized and its budget dramatically increased. It underwent a major expansion of personnel, hiring investigators with advanced training in different professions, such as law and engineering. The PCB opened offices in all the mainland regions and, in 2001, it underwent another major expansion of staff. The increase in staff has resulted in a jump in the number of complaints brought to the PCB (256 in 1995 to 1 461 in 2000). Investigations have also drastically expanded during the same period, from 168 to 1 128. The PCB, with its own prosecutors, can investigate and bring to court corruption cases.

In addition to the PCB, an Ethics Secretariat was created to curb the misuse of public office. It was designed to deal with breaches of ethics by public officials, which may or may not be corruption related.<sup>12</sup> All high ranking elected and non elected officials have to fill out wealth declaration forms that are deposited at the Ethics Secretariat. The Ethics Secretariat has six investigators and it can look into complaints that high ranking officials are misusing their offices. In 2001, the government also established a Human Rights and Good Governance Commission with the ability to receive and act on anonymous complaints.

Since coming to power, Mkapa's government has taken steps against powerful people thought to be engaged in corrupt activities. Examples include: the arrest and trial of the former Mwinyi government's Minister for Works, Nalaila

Kiula and the retirement of more than 20 upper level state officials in the 'public interest'. In order to reverse the dismal performance of the TRA (Tanzania Revenue Authority), which was one of the main reasons why donors suspended aid in 1994, tax collection was reformed and intensified. As part of the reforms, incompetent and corrupt staff were dismissed. After press reports of widespread corruption during the ruling party's 2000 primary election, CCM's National Executive Committee overturned a number of election results because the candidates had bought voters' support. At the grassroots level, the government instituted opinion polls designed to yield information on corrupt civil servants at the local, district, and regional levels.

A last area where the Mkapa government deserves credit is in revitalizing the economy. A commitment to controlling corruption is related to promoting economic growth.<sup>13</sup> In places like Tanzania, an improvement in the economy is needed to guarantee reasonable pay and retirement benefits for public workers. It is unrealistic to ask (or try to force) public officials to avoid corruption when their wages are not enough to cover daily subsistence, let alone allow savings for retirement and to educate family members. During the 1980s and into the 1990s, pensions fell to ridiculously low amounts. Someone completing twenty or thirty years of service was lucky to receive \$100 after retiring. Mkapa has restored outside confidence in the economy, attracted new foreign direct investment and has worked with creditors to reduce Tanzania's external debt (in December 2001 donors erased US\$3 billion, roughly half of Tanzania's external debt). Real economic growth in Tanzania has been fairly steady at around 3 to 4 percent per year and salaries in the state sector are becoming more in line with the cost of living. Economic growth has provided the government with an opportunity to implement some short run measures to reduce specific situations that encourage corrupt activities. National Social Security Fund payments, while not being enough to support retirees, nonetheless do provide enough resources to help start small businesses. Freeing up markets has also made it possible to streamline the provision of some goods that are not really scarce but for which an artificial shortage was created to benefit those who are in charge of allocating the resource.

### **Evaluating Mkapa's Anti-Corruption Efforts**

Despite the above mentioned efforts, there is little consensus over whether the Mkapa administration has actually reduced corruption. While many Tanzanians complained bitterly that not much changed since 'Mr. Clean' took office, donors and foreign observers gave the Mkapa administration the benefit of the doubt. In many respects, the debate about corruption in Tanzania resembles that over whether the glass of water is half full or half empty. For every positive example of an effort to reduce corruption, a counter example can be produced that illustrates how the misuse of public office continues unabated.

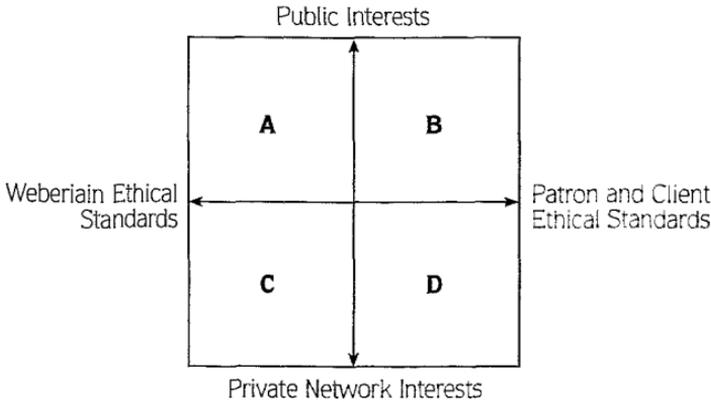
Arguments supporting that the glass is half full highlight Tanzania's improvement in Transparency International's annual corruption rankings and increased efforts to bring corruption under control. The viewpoint that the glass is half empty is advanced in the press and by opposition politicians, who charge that Mkapa has not been serious about stemming official malpractice. Daily papers carry articles covering the latest corruption allegations, while the public's interactions with state officials still center around the game of *kutoa kitu kidogo*.<sup>14</sup> For example, an expatriate general manager of a gold mine provided anecdotal evidence of widespread high level corruption in April 2001, when he told Parliament that a never ending stream of government officials flock to the mines seeking payoffs. Despite the steps to control corruption, many Tanzanians believe that it is just as prevalent under Mkapa as it was under his predecessor. Critics maintain that, aside from rhetorical condemnations and perfunctory changes, there has been a marked absence of commitment on the part of top leaders to radically change the system or to empower the public so that they can hold accountable those who misuse positions of public trust.

What explains these different evaluations of the Mkapa government's commitment and ability to fight corruption? In part, the dichotomy reflects the inherent difficulties of gaining reliable information on a concealed, highly adaptable, and sometimes complex activity. Measuring the extent of corruption poses a problem because those involved try to keep their activities secret (Robertson, 1999: 589). The inability to gain concrete data on corruption makes it difficult to reach definitive conclusions about its impact or efforts to control it. Therefore, any examination of corruption is bound to be highly subjective.

Another reason for the conflicting interpretations is the different vantage points of the expatriate donor community, and average Tanzanians. Mkapa's government has proven to be a reliable development partner, making a sincere effort to work with the donor community to implement economic reforms. Also, on a personal level, official representatives of foreign nations with their specially licensed cars and identification cards are not subject to the same treatment at the hands of public officials as are Tanzanian citizens who have no diplomatic protections. There can be little argument that Mkapa has succeeded in creating the impression that serious efforts are under way to fight corruption, especially in comparison to the previous 'rukasa' administration.<sup>15</sup> However, even donors have expressed reservations. At the end of Mkapa's first term the outgoing Head of the European Union in Tanzania encouraged greater effort by the government to purge the state of corrupt officials.<sup>16</sup> One year later, at the third Tokyo International Conference on African Development, Tanzania was placed on a list of countries that did not use Japanese aid profitably (*African*, 2001: 5). Despite these reservations, outside perceptions of the Mkapa government have been relatively favorable. But, for many living in Tanzania, it is

difficult to square the perceptions of reduced corruption with the reality of dealing with public officials who brazenly demand payoffs.

In order to better evaluate the efficacy of the Mkapu administration's fight against corruption, we have developed an ideal type foursquare schema that focuses on the relationship between societal values and state institutions.



**Zone A** represents situations approximating the ideal type Weberian bureaucracy, where the boundary between the public and private is clearly defined and the norms governing public and private property are highly internalized. This zone also represents an ideal type of civic competence where citizens know their rights and obligations. Citizens know what constitutes public property, they understand the linkage between their taxes and public property, and the public feels that it has a responsibility to discourage public officials from using their offices for private gain. Legal and social sanctions are effective, in large part because they operate in a supportive moral and political environment. In situation A, citizens have a variety of formal and informal means to control the behavior of public officials, including socially ostracizing and shaming corrupt officials and legal methods such as suing. Stated differently, societal groups are empowered to fight against the misuse of public office and resources. In this zone, values and institutions reinforce each other and enhance the ability of people to hold their leaders accountable. Examples would include the Nordic countries like Finland, Sweden, Denmark, Iceland, Norway, and the Netherlands, which were all in the top ten of Transparency International's Index for least corrupt countries for 2000.

**Zone B** strongly resembles Richburg's (1992) idea of 'productive corruption'. In this ideal-type situation there is a tendency for personal interests to dominate public interests, especially in the absence of institutional mechanisms to check or control this trend. In zone B the boundary between public and private is clearly

defined. Citizens know the linkage between public and private resources, however, the institutionalization and enforcement of ethical standards is very low. While corruption is a problem in zone B, the state can still accomplish its goals in terms of completing public works and providing services. For example, while contracts may be awarded through corrupt practices, the contractor is still expected to accomplish the task in a professional manner. This represents an example where institutional practices are out of line with societal ethical standards. That is, there is a lack of institutional mechanisms to empower people to hold societal leaders accountable and there is a lack of top level political commitment to transforming popular values into state policy. Examples of these countries would include the 'Asian tigers' of Hong Kong, Taiwan, and South Korea, which were ranked 15<sup>th</sup>, 28<sup>th</sup>, and 48<sup>th</sup> on Transparency International's Index 2000. In some of the Asian countries, people have demonstrated against corrupt officials, including presidents, who have been forced to resign by public pressure and taken to court for corruption while in office.

Zone C consists of situations where the boundary between public and private is unstable and barely exists. For many citizens there is no clear connection between their contribution to building up public sector resources and taxes. In other words, their sense of 'ownership' over public resources is not strong. Personal interests or kinship and patronage networks seek to challenge the Weberian model but are kept in check by an authoritarian state. Controlling corruption centers on the state giving harsh punishments to deter official graft. Under these conditions, corruption is minimized by a top down approach of dispensing punishments rather than through higher levels of civic competence or internalized values and norms. Corruption of the type where the costs are directly pushed onto an identifiable group, such as was the case with the traffic police cited earlier, could be controlled with a commitment to rule enforcement. However, abstract corruption where costs are pushed off onto an ill defined group - like taxpayers, donors, or the state - is less likely to be effectively dealt with. Given such circumstances, when top officials lack the will to punish their subordinates, it will likely trigger high levels of corruption because officially stated standards of bureaucratic behavior do not reflect underlying social norms, which are more tolerant of corruption. An example of this situation might be colonized countries or China (ranked 63<sup>rd</sup> in Transparency International's Index 2000) which imposes harsh sentences up to the death penalty for corruption related offences.

Zone D represents a condition where the separation between the public and private is fluid, unstable and perhaps non existent. The level of citizen competence is low and the public often encourages, or at least accepts, corrupt behavior. Corruption can take the form of outright pillage of state resources through such devices as paper contracts for which no services or goods are provided. In this situation, societal norms match state practice in that the boundary between

personal and private is intentionally blurred. Usually, the states in a zone D situation are thought of as weak, unable to provide public services or to effectively implement their policies. Patronage and kinship networks permeate weak states and appropriate the state's resources. All forms of corruption, those that have a direct negative impact on an identifiable group as well as abstract corruption where costs are pushed off onto a diffuse public, are encouraged by social and/or patronage networks. Under such conditions, the approach adopted by the World Bank that puts more emphasis on creating a working legal system and effective anti-corruption institutions as well as building democratic governance to enforce accountability and transparency for public officials and government bodies, is not enough to counter the social networks that support corruption. The values of state officials and the public also need to be changed. This might be brought about by economic development and a sincere campaign of consciousness raising. Citizens who bear the brunt of the costs of corruption need to be empowered for any anti-corruption efforts to bear fruit. The countries in this zone are at the bottom of Transparency's International Index for 2000 and come from the third world and former socialist bloc.

In locating Tanzania in our foursquare model, before Mkapa took power (in terms of the enforcement of anti-corruption regulations and a supportive ethical environment to reduce the misuse of public office) the country was in a Zone D situation. Corruption was widespread and there was little, if any, effort to curb such practices within the workplace or on the part of the police. Confidence in the police was so low that vigilante groups called *sungusungu* were formed all over the country to deter crime. People widely believed that, if a case was brought into the judicial system, the likelihood of a fair trial was slim as bribes could be utilized to undermine the process at a number of links in the legal chain of the police, court officials, prosecutor, witnesses, and judge/magistrate. This created an uncertain environment for business, as contract enforcement was highly problematic. Fraudulent land title deeds were issued, taxes were avoided, and the inspections of goods leaving and entering the country were easily circumvented.

A combination of economic growth, poverty reduction, citizen education and a commitment on the part of top government officials to anti-corruption institutions is the proper path to reach in Zone A. If the Mkapa government placed an emphasis on legal solutions it would likely shift the country to Zone C. In the absence of strictly enforced anti-corruption measures, if the public and élites ambivalent attitudes toward corruption could be changed, then the country would move to Zone B. We argue that Mkapa has marginally improved the enforcement of some anti-corruption measures allowing for the country to move toward a Zone C situation, though it is still in Zone D.

The Mkapa administration has taken steps to rectify a number of the problem areas identified by the Warioba Commission, including implementation problems

of law and order, administrative laxity and lack of accountability, lengthy and difficult procedures of obtaining public services, and managerial weaknesses of state organs. Control mechanisms and oversight have been strengthened, meaning that, in some institutions, fear of penalties is reducing corrupt activities. Generally speaking, enforcement of anti-corruption laws is stricter than under Mwinyi. However, there are many areas where additional institutional reforms could help reduce corrupt practices. Currently there is an enabling environment for corruption in many state institutions that have been overlooked. For example, in regard to the much maligned traffic police, the procedures for paying fines for traffic violations are very cumbersome. They entail leaving your vehicle at the nearest police post, finding your own transport to the central police station, paying a 20 000 tsh. fine and then finding your own transport (taxi or *daladala*) back to the police post where your car was impounded to produce a receipt to reclaim your vehicle. Given the costs in time (not less than an hour), money and effort to pay a traffic fine legally, it would be illogical not to give *kitu kidogo* (5 000 tsh. or less).

Another problem with efforts to reduce corruption is that they rely on the very government officials who are thought to be intimately involved in corruption networks. This was evident in a 1999 incident when government officials were instructed to conduct a survey to identify corrupt public servants. The results were going to be used to provide information to anti-corruption officials and heads of departments (concerning the amount of corruption in their organizations). In Nzega District, the divisional secretary forced people to write their names on what were supposed to be anonymous responses. People became suspicious but, nonetheless, filled out the forms with less than candid responses. Many felt that the divisional secretary wanted to discover who would name him as corrupt so that he could launch reprisals against them. One week later, the district divisional secretary called the people together to redo the exercise, only this time they were told to leave their names off the lists of corrupt people. Disgusted and fearing a trap, people refused to participate. The Nzega incident raised serious questions about an approach to fighting corruption that relies on the commitment, good will and ability of the state, the very institution that needs to be reformed.

The 2000 general elections contributed to doubts about the commitment of top political leaders to fighting corruption. The outright use of money by candidates to attract political support was widely practiced in the effort to win the elections. The CCM primaries, in late July and early August of 2000, were marred by numerous press accounts of candidates carrying *viroba vya pesa* (plastic bags full of money) and fights breaking out among campaign staff and supporters over the allocation of that money. At the conclusion of the primaries, President Mkapa supported the nullification of three constituency results in which wealthy businesspeople were said to have used money to influence primary voters. Mkapa vowed that, "we cannot accept CCM being bought by a person or a group of people"

(Lyimo, 2000b: 1,3). However, the overall lesson learned from the elections was equivocal. While the party nullified three results, there were reports that corruption was more widespread and disqualified candidates were later asked to be the campaign managers of the newly selected contestants (TEMCO, 2001). Despite Mkapa's statements and a public relations campaign by the government and NGOs urging people to avoid bribes (or at least to take the money and vote 'their conscience'), the general public expected candidates to give them gifts and money in return for attending rallies or, sometimes more directly, for their votes. While corruption was still a campaign issue during the 2000 elections, it ceased to be a central concern. The electorate was justifiably cynical about CCM leading efforts to control corruption and with the mismanagement of funds that left the then leading opposition party NCCR-Mageuzi bankrupt in 1999. There was also little faith in the ability of the opposition to deal effectively with this problem.

While the need to empower citizens has been stressed since the days of *ujamaa*, the actions of state officials continue to demonstrate that this remains a rhetorical rather than a practical goal. Despite speeches, newspaper articles, editorials, and conferences that stress the need to fight corruption, the actions of leading members of society send a message that is equally clear: those who raise questions about corrupt behavior or try to hold leaders accountable will suffer consequences. There does not exist in Tanzania any means to protect those who uncover or take legal action against people suspected of engaging in corrupt activities. In a number of ways people have been discouraged and disappointed by how leaders and the government handle reported corruption cases. For example, within the PCB, the decision to take action against people suspected of corruption is heavily influenced by the political power of the individual or their political connections. The PCB has complained of interference by high ranking officials in their investigations and, off the record, questioned the commitment of many such officials to combating graft.

Finally, even where reforms are implemented, corruption can change its form to adapt to the new circumstances. Institutional reforms of TANESCO (Tanzania Electricity Supply Company) and the TRA may have increased efficiency but they also created new avenues for corruption. Many TRA employees who were dismissed for corruption became clearing and forwarding agents for businesspeople, utilizing their connections to the remaining staff to facilitate the underpayment of taxes. In the case of TANESCO, retrenched employees served as corruption agents for their still employed colleagues. They demanded bribes from customers to expedite electrical hook ups from three to six months to one week. In both cases, the use of retrenched workers to solicit bribes added another layer to the corruption system making it more difficult for the PCB to identify corrupt elements in both of the organizations.

As the Warioba report indicated, a key question facing Tanzania concerns the commitment of societal leaders to a campaign to reshape societal values

Do leading state officials really want to restructure behavior (including their own) in a way that is likely to adversely affect the interests of some of the most powerful actors in the society? A frequent criticism of the government's anti-corruption efforts is that the only casualties in the war against corruption seem to be a few sacrificial lambs in the form of lower level officials and people out of power. Without basic changes in the nature of the relationship between the governed and those who govern, it is difficult to imagine serious inroads being taken to curb corruption. Many of those who engage in corruption are powerful. On the most benign level, accusations of corruption cause tensions in the relationship between the accuser and the accused. In a country where living in harmony with family, friends, neighbors and colleagues is highly valued, the social pressures to remain silent and not disrupt existing relationships are strong. However, even more serious is the problem that those reporting corrupt activities are more likely to suffer penalties for their actions than those engaging in corrupt activities. People understand the costs of accusing the powerful and well connected of corruption. Mechanisms need to be put in place so that, if a group or individual is forced to bear the costs of a corrupt act, they have the institutional means to take action. While strict enforcement of rules and regulations may deter corrupt practices in the short run, this strategy needs to be accompanied by a sustained and meaningful reduction in the misuse of public authority based on the internalization of new norms to guide public behavior, backed by a fear that even powerful officials can be held accountable by the public.

### **Conclusion: Actions without Change**

The best way to conceptualize corruption is as a process in socioeconomic and political development that is more than a problem of individual morality or market imperfections. Understanding corruption requires a focus on power relations and the morals, values, ethics, and material conditions that uphold them. Consequently, by analyzing corruption in Tanzania as part of a broader process in socioeconomic and political development, societal power relations that sustain the process can be better understood and more effective anti-corruption tactics can be devised which will compliment social, political and economic reforms. In other words, a holistic approach to fighting corruption has a better chance of success than populist or legalistic solutions that target individual wrongdoers. There is a need to consciously transform social values as well as state institutions that work as enabling environments for corruption. This requires sensitizing people about the bad effects of corruption as well as empowering them with the means to take actions against those who misuse their authority. Thus, despite the efforts of the Mkapa government, corruption remains deeply embedded into the country's social, economic and political system.

## Notes

1. See Berman (1998), Jackson and Rosberg (1984), Joseph (1998), and Bayart (1993).
2. In one incident that is fairly typical, a traffic policeman stopped a pick up truck because it had bald tires. The officer demanded a 10,000 tsh. bribe claiming that this was half the amount of a fine. When only 2,000 tsh. was offered the officer loudly asserted that it was not a secret that he needed money and demanded 3,000 tsh. As more motorists were stopped, the officer accepted the 2,000 tsh. and went to solicit bribes from other drivers.
3. Information on the Chavda Scandal was gathered from: *Business Times*, 23 July 1993; *Business Times* 15–21 October 1993; *Sunday News*, 24 October 1993; *Business Times*, 29 October–4 November 1993; *Family Mirror*, December 1993; Mrema 1994.
4. The Bank of Tanzania, the Co-operative and Rural Development Bank, and the National Bank of Commerce administered the DCP with the aim of reducing Tanzania's foreign debt by converting it to local currency loans for investment projects. In the late 1980s and early 1990s there were rumors of widespread misuse of these funds with payoffs from business people to government and bank officials.
5. Empowering includes consciousness raising and eliminating the ability of corrupt elements to launch punitive retributions against groups that bring to light official graft.
6. See Richburg (1992) and Moran (1999) for explanations of malignant and productive corruption.
7. *Ujamaa* is the Kiswahili term for the policy of African Socialism.
8. During liberalization CCM was referred to as 'chukua chako mapema' or "take yours early" reflecting the perception that party members were excessively abusing their control over state resources out of the fear that the "good times" could quickly end.
9. Mohamed Dewji – son of Ghulmabbas Fazal Hassanal Dewji of Mohamed Enterprises – won the CCM primary (2000) for the Singida Urban Parliamentary seat defeating the incumbent Minister of Water, Alhaji Mussa Nkhanga. CCM's National Executive Committee initially rejected Mohamed Dewji as its candidate for the general election on the grounds of widespread corruption during the primary. However, CCM later decided that Dewji had not been a member of the party for required amount of time to contest for a parliamentary seat, thus opening the possibility for him to run in 2005.
10. The IPTL scandal involved a contract by the state-owned Tanzania Electricity Supply Company to buy electricity at above market rates from the privately owned Independent Power Tanzania Ltd.
11. For example, the government held a special seminar in response to accusations of widespread corruption in road construction that brought together state officials and private contractors in order to address problems of kickbacks, bribes and poor quality work (Ibrahim April 12, 2001: 1,2).
12. An example of non-corrupt ethical breaches would be failing to carry out official duties due to alcohol abuse.
13. Situations of scarcity, however, are not the only adequate explanation for the existence and persistence of corruption. It is possible that corruption can continue even after salaries are improved. There are also places of work where corruption has not

found a breeding ground but the pay is low. It is clear that building societal norms against the misuse of public resources coupled with strict anti-corruption enforcement measures need to accompany economic growth.

14. "Kutoa kitu kidogo" means to produce a small gift to make things work right.
15. Ali Hassan Mwinyi was popularly referred to as 'Mzee Ruksa' (with my permission), alluding to the idea that his administration made no effort to discourage corruption.
16. Peter Beck Christiansen, outgoing Head of the European Union in Tanzania, warned that "feeble anti-corruption measures" would have a serious adverse affect on economic development (*Sunday Observer* July 30, 2000: 6).

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