

# **Institutional Impacts of the Local Government Reform Program on Good Local Governance in Tanzania**

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## **Abstract**

Ever since the early 1990s, Tanzania's government has embarked upon ambitious and far-reaching reform programs to improve the socioeconomic condition of the country. Among them was the development of anti-corruption strategies and the local government reform program. Overall, these reform programs were expected to improve good governance through reformed and autonomous local institutions. As such, this paper provides a detailed analysis of two reform initiatives, namely, anti-corruption strategies and LGRP based on their main policy goals as well as impacts on the overall institutional performance of local institutions in Tanzania. Drawing upon review of some empirical studies, the paper discusses what is seen as major structural concerns in the workings of these reforms in their entirety. This paper builds on the proposition that, unless someone addresses "institutional shortfalls" within the greater system of governance, any policy or reform initiative aimed at improving good governance will ultimately fail to deliver.

## **1.0 Introduction and Background Information**

Ever since the early 1990s, Tanzania's government has embarked upon ambitious and far-reaching reform programs to improve the socioeconomic condition of the country. One of these reforms was the local government reform program (LGRP), a remarkable effort introduced in 2000 to shift the locus of development initiatives to local levels of governance. The LGRP was part of the perceived "second wave" of decentralization reforms which have been increasingly implemented in a number of developing nations. In most of these countries, however, the implementation of these broad-based reform strategies is associated with good governance, that is, a particular set of initiatives to strengthen local institutions with the objective of making the system of governance more accountable, more open and transparent, and more democratic. In general, and also within the context of this paper, good governance increasingly stresses the importance of building local ownership and creating a more efficient and effective system of governance capable of addressing local needs.

As a whole, the LGRP was expected to improve quality, access and equitable delivery of public services—particularly to the poor. However, review of a variety of literature and empirical works indicates that, over its two decades of operation, decentralization reforms have, in actual fact, not realized most of its objectives, especially in relation to service delivery to local people. As a matter of fact, despite the existence of a number of watchdog institutions in Tanzania, such as the **Minister** of State in charge of **Good Governance**, the Prevention and Combating of Corruption Bureau (PCCB), the Commission for Human Rights and Good Governance (CHRGG) and

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the Ethics Secretariat, corruption takes place frequently and government funds are often unlawfully and unwisely spent. This state of affairs raises questions both about the nature of the reform and the implementing institutions. As such, this paper provides a detailed analysis of the LGRP in Tanzania based on its main policy goals as well as impacts on the overall institutional performance of local institutions in the country. The paper begins by re-stipulating the core of this reform initiative and analyzes the manner it was evolved. Then, the paper revisits the objectives of the LGRP and tracks its impacts on the overall performance of local institutions in Tanzania. Of particular importance in this paper is the precise analysis that it provides of contemporary governing practices in Tanzania since the inception of the LGRP in 2000. This analysis helps the reader to link the ambitions of the LGRP with the actual state of the local governance system in order to see “what is new” and/or “business as usual” under these reform programs. Drawing upon review of some theoretical and field research work, the paper discusses what is seen (in this paper) as major structural or institutional constraints in the workings of the LGRP in its entirety.

### **2.0 Theoretical Approach and Methodology**

This paper uses a new institutional approach to analyze the institutional impacts of the LGRP on good local governance in Tanzania. The authors decided to use this approach not because it offers new answers to the traditional questions of state and politics (who gets what, when and how), but because it incorporates other contextual variables that also matter for political outcomes. As a whole, discussions and findings of this study are based both on a broad range of theoretical and empirical works on reforms, governance, and institutions in Tanzania. In the first place, the authors used documentary research to identify fundamental institutional issues in local governance system in Tanzania. Secondly, in order to explore the relationship between variables a detailed discussion with a few respondents from local government institutions on the LGRP was done. This paper is guided by the proposition that an effective local institutional framework is vital for achieving sustainable good governance at the local level in Tanzania.

### **3.0 “New Institutionalism”: A Renewed Interest in Institutional Thinking**

Since the early 1980s, institutional analysis has been gaining a new popularity in social sciences. Institutional scholars refer to this revived focus as new institutionalism. James March and Johan Olsen were among early advocates of this movement. Their motivation was to move beyond traditional thinking about institutions and to develop a new approach that was neither focused on a complete return to the old institutionalism<sup>2</sup> nor on ignoring the features of older

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<sup>2</sup> Prior to the 1950s, the traditional institutional analysts, what is now termed *old institutionalism*, studied formal government structures, state institutions, statutes and constitutions. At that time, institutions were material structures such as constitutions, laws, cabinets, parliaments, bureaucracies, courts, armies, and in some instances party systems (Lecours 2005). Although institutional thinking never disappeared in theoretical social sciences, it was marginalized from the 1950s to 1970s in favour of two theoretical approaches that came to be known as *behaviouralism* and *rational choice theory* (March and Olsen 1984; 1989). However, critique these two approaches came to prevail in the late 1970s and out of the ashes of behaviouralism and rational choice theory was devised an approach generally labelled *new institutionalism*.

institutional analysis. Goodin and Klingemann describe this new institutional thinking as “the next revolution” in social sciences (1996, 25).

Unlike the old institutionalism of the 1920s and 1930s, in which the emphasis was exclusively on the formal aspects of decision making in a descriptive way, new institutionalism goes further to give the field of social sciences a “structural turn” (Lecours 2005, 8), by focusing on the impact of institutions on actions and outcomes. The new institutional approach emphasizes on how the structure and organization of any institution can make a difference for the outcome (March & Olsen 1984; Peters 2005). As such, new institutionalists see institutions and institutional arrangements as clusters of factors explaining changes in policy outcomes, state–society exchange processes, and government capabilities (Peters 1996; Pierre 1999).

The new institutionalism is more concerned with interactions among institutions and individuals, the informal conventions of social and political life and formal constitutions and organizational structures. The new institutionalists perceive institutions as formal (organizations) and informal (networks) structural features of society that shape a relationship among actors and have consequences for behaviour, shared values and social meanings among the members of an institution (Peters 1999). Furthermore, new institutionalists emphasize on the importance of rules and traditions in decision-making processes. In this regard, the role of decision makers is to translate specific societal interests within the decision-making system into actions, and to act in accordance with the established societal rules and norms.

In new institutionalism, institutions are treated as independent entities or organizations embodying values and power relations that not only respond to external changes but also tend to dominate their environments (March & Olsen 1989). Consequently, institutional structures are examined on the basis of what obstacles and opportunities they may create for economic, social and political outcomes. New institutionalists study not just the impact of institutions on behaviour, but the interactions among individuals and between individuals and institutions (Lowndes 2001). To new institutionalists, institutions are understood more broadly as a “stable recurring pattern of behaviour” (Goodin 1996, 22).

#### **4.0 The Local Government Reform Program (LGRP) in Tanzania**

In response to public concern over deteriorating socio-economic conditions at the local level in Tanzania, the ruling party CCM promised in its election manifesto of 1995 that, if re-elected, it would strengthen the local governance system with the overall objective of improving the quality of, and access to, public services provided through or facilitated by Local Government Authorities (LGAs). Following their landslide victory in October 1995, the CCM government formulated a policy paper on the Local Government Reform Program (LGRP) which was published in 1998. The substance of this policy paper was based on recommendations from the National Conference on the Vision for Local Government in Tanzania (May 1996), the Local Government Reform Agenda (November 1996), and recommendations made by presidential commissions and committees as well as by researchers and experts from the local government field (United Republic of Tanzania, 1998). According to Ngware (2004), the LGRP also drew upon a very broad policy framework based on Vision 2025 and the National Strategy for Growth and Reduction of Poverty (NSGRP).

Implementation of Phase I of the LGRP, or LGRP I, began in January 2000 and ended through June 2008. By the end of Phase I, the LGRP was expected to have improved quality, access and equitable delivery of public services—particularly to the poor—provided through reformed and

autonomous LGAs (United Republic of Tanzania, 2005a). However, review of a variety of literature and empirical works indicates that, over its eight years of operation, the LGRP I could to realize most of its objectives. This state of affairs, coupled with the analysis of the current system of local governance in Tanzania, raises questions both about the nature of the LGRP and the implementing institutions. As such, the new institutional framework employed in this paper helps us in understanding structural issues based on the nature, dynamics and methods of governance in the LGRP. More importantly, this approach helps us to understand how actors sometimes respond only to interest-based incentives (see Abbott, 2007).

#### **4.1 The Objectives of the LGRP**

The LGRP in Tanzania was part of the perceived “second wave” of decentralization which has been increasingly implemented in a number of developing nations. As indicated in *The State of Decentralization and Local Governance in Tanzania*:

The rationale for decentralization in Tanzania was the desire by government to enhance efficiency in executing development projects and in the provision of services which were under the control of the central government. Central government ministries then held control over financial and human resources, instructing the councils through Regional Administrations in the operationalization of service delivery responsibilities at the local government level, in a situation that did not bring the required outcomes. (n.d., para. 4)

More specifically, the overall objective of the LGRP is to build the capacity of the LGAs, through the Decentralization by Devolution (D-by-D) to enable them to assume greater responsibilities, to deliver services more efficiently, and to exercise control over their own resources more extensively (URT, 1998). Its overall goal is to reduce the proportion of Tanzanians living in poverty.

#### **4.2 Good Governance as a Key Component in the LGRP**

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

The Baseline Impact Assessment Study for the Local Government Reform Program considers good governance as a desired output of the political structure and processes of the local governance system in Tanzania (United Republic of Tanzania, 2000a). Hence, LGAs were supposed to institutionalize participatory mechanisms that would involve people in development-plan formulation and implementation. Such an approach would “constitute a mechanism through which people own the development process and become active actors of the system alongside functional actors in the LGAs” (United Republic of Tanzania, 2000a, p. 85). This is in line with the overarching definition of good governance provided earlier in this paper which emphasizes ownership as one of important components of good local governance. More precisely, it is argued in Booklet No. 2 of the Local Government Secretariat’s *An Introduction to Good*

Governance Principles for Local Governments, that in order to improve good governance at the local level in Tanzania, the LGRP must address the following:

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

The above tenets of good local governance are incorporated into the government’s policy paper on the LGRP (1998), which gives an overview of the vision of a new local government system after the LGRP. This LGRP vision includes four main policy goals: (i) political decentralization, (ii) fiscal decentralization, (iii) administrative decentralization, and (iv) changed central–local relations (United Republic of Tanzania, 1998).

### **5.0 Tracking the Institutional Impacts<sup>3</sup> of the LGRP on the Performance of LGAs**

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

#### **5.1 What is “New” with the LGRP**

Based on the research conducted by the author, it appears that there has been no empowerment at the grassroots level to allow people to decide and implement their own development priorities. Responding to the question, “Has the system of governance in the LGAs been improved by the LGRP?” most of respondents in this research indicated that they have perceived only a very slight improvement so far. In line with this, a number of other empirical studies have pointed

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<sup>3</sup> Note that this study does not intend to track the impacts of the LGRP from the perspective of the local people, but rather from the institutional perspective of the local governance system in Tanzania.

out several institutional shortfalls that jeopardize the reform process, even when donors have provided firm financial support for the LGRP. On the part of government, most of our respondents indicated that the process of decentralization as a whole is merely “hypnosis,” designed by the government to convince donors that good governance exists in the country when it actually does not. For instance, a respondent from Mvomero District Council stated, “The reform has been largely theoretical; it has not taken place, as can be read in various documents.” Based on the argument made by Gaventa and Valderrama (1999) that administrative and fiscal decentralization are necessary indicators for good governance at the local level, this part of analysis will focus more on the two institutional visions of the LGRP, namely administrative and fiscal decentralization. Responses from our interviewees consistently suggested that there has been very little achievement in these two policy areas, mainly due to resistance within the central government against devolving powers over finance and human resources to the LGAs.

## **5.2 Administrative Decentralization**

One of the cornerstones of good local governance is effective administrative decentralization (PMO-RALG, n.d). This includes the mechanisms and processes that enable a society to achieve more sustainable and people-centred development at the local level (PMO-RALG, n.d). In general, this has also been identified as one of the most important aspects of the LGRP because it grants human resource autonomy to the LGAs for the recruiting and managing of their own staff. However, according to respondents of this study, such autonomy exists more in the newspapers and policy papers than in any real, practical way.

Commenting on administrative decentralization, most of interviewees indicated that they felt that powers were still de-concentrated in the central government ministries, departments and agencies (MDAs). According to a respondent from Arusha Municipal Council, “Powers for decision making and for resource allocation remain at the central government.” Most importantly, LGAs continue to have only very limited control over local personnel decisions, as the approval of local government posts continues to be controlled centrally by the President’s Office–Public Service Management (PO-PSM) (URT, 2007). Similarly, it is argued in URT (2008b) that although 60 per cent of government employees are employed at the LGA level, the central government is often reluctant to let go of power, and human resource allocation is not always done to the benefit of local governments. The same document indicate further that transfers of local staff away from an LGA can happen on very short notice, often leaving a gap in key positions (such as treasurer), which is detrimental to the functioning of the LGA. On the other hand, it is also noted that transfers into an LGA can sometimes happen without consultation or in response to any identified need, or without competition for the best candidate (URT, 2008b). As a whole, this is not consistent with the values of good governance and the overall objectives of the LGRP.

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

### 5.3 Fiscal Decentralization

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

In Tanzania, LGAs have three major sources of funding: own revenues, central government transfers, and development aid. However, Fjeldstad (2001, 2004) has indicated that LGAs' own revenues represent less than six per cent of total national tax revenues in Tanzania on average since 1996. According to Fjeldstad (2001), these revenues are mainly used to finance minor operational costs, especially the salaries of local government employees, whereas the bigger portions of the operational costs are funded by central government transfers. On the other hand, in 1994, central government transfers funded 85 per cent of the total operational costs in district councils, and 75 per cent in urban councils (Fjeldstad, 2001, 2). However, "in reality LGAs have been given directives by central government that have required them to utilize those grant funds for other projects" (URT, 2008, 14). Regarding investments, many LGAs are almost completely dependent on donors. Fjeldstad gives a sample of LGAs in the regions of Arusha, Kagera and Shinyanga, where more than 93 per cent of the LGAs' investment budgets in 1996 were funded by various donors (2001; see also the Economic Research Bureau [ERB], 1997). Table 1 gives an overview of revenue accruing from LGAs' own sources against government grants and donor funding for two fiscal years, 2005–2006 and 2006–2007.

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

Table 1 – Comparison of Revenue accruing from LGAs Own Sources against Government grants and Donor funding for the Years: 2006–2007 and 2007–2008<sup>4</sup>

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

<sup>4</sup> From the Annual General Report of the Controller and Auditor General on the Financial Statements of Local Government Authorities for the Financial Year 2007/2008, p. 121.

Based on the above information about local sources of funding as well as Table 1, authors of this paper concur with what is stated in URT (2008) that,

To have a fully devolved system of local government it is essential that the LGAs have robust revenue sources that will finance improved local service delivery as well as encourage accountability to the local taxpayers. Failure to ensure such revenue sources for local government means that LGAs rely solely on central government grant transfers, and this effectively de-links local leaders from their electorate, weakens accountability and concern for cost-effectiveness. (2008, 14)

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

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

Another notable feature of fiscal decentralization identified in the Local Government Fiscal Review, 2007 is that recurrent spending in Tanzania is considerably more decentralized than the development budget. For instance, as shown in Table 2 below, in Financial Year 2006/07, 24.35 per cent was allocated for recurrent spending while only 16.95 per cent was allocated for development spending. According to the review, this tendency of centralizing development-spending budgets reveals a hesitance on the part of the central government to provide local government with substantial expenditure discretion (URT, 2007).

Table 2 – Expenditure Decentralization in Tanzania: Recurrent and Development Budgets by Central and Local Government, Financial Year 2006–2007<sup>5</sup>

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

<sup>5</sup> From the Local Government Fiscal Review, 2007, p. 7.



#### **5.4 What's Wrong with the D-by-D?**

All in all, it appears that efforts to improve financial management have been given more attention than the other three goals highlighted in the LGRP. A consultant from the Local Government Centre, Mzumbe University stated, "...among these four policy areas of D-by-D, fiscal decentralization has received mounting attention, especially from donors." When asked why only this area when there are four in total, he said, ". . . because donors are very concerned with their money!" He added, "They don't care about conflicts between councillors and bureaucrats, but their money. . . . In fact, donors do not trust government actors with money, ever . . ." This was another "puzzle" that donors only demand an accounting of the expenditure of their money, not the actual impact that the LGRP has on the local people.

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

#### **6.0 The Question of Reform Ownership**

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

When a question was asked to a local government consultant from the Local Government Centre, Mzumbe University, "Who owns the LGRP?" he responded, "Donors finance over 95 per cent of the reform, so what would you expect?" He added, "I did an analysis of the LGRP and the government of Tanzania contributes less than two per cent of the entire cost of the LGRP" Similarly, Hyden (2005) makes a pessimistic claim that, while the government of Tanzania may own the development process, the donors still determine its direction and set its parameters. In this context, where one party is perceived to be weaker than the other, with few financial or technical resources to propose or implement programs, ownership by the weaker party is difficult to achieve (Tsikata, 2003). Be this as it may, Tsikata has pointed out that a ". . . recipient country's ability to influence its reform ownership depends on the size of its financial resources, its human capabilities and its strategic importance" (2003, 32). Therefore, this paper agrees with both Hyden and Tsikata that unless the institutional mechanism for accountability is improved, there is

still a long way for Tanzania to go before it can realize ownership in different development programs.

The question of ownership raised an interesting issue which led to an inquiry into the effectiveness of the LGRP as an important aspect of good governance. While conducting interviews, a number of respondents indicated that considerable concern exists regarding the effectiveness (outcomes) of the LGRP. For instance, a local government consultant from the Local Government Centre, Mzumbe University stated, "Let me give you the facts . . . according to my experience, reform funds, just like the HIV/AIDS funds, have made certain people and the government very wealthy". According to him, any new policy or reform is accompanied by a substantial amount of outside funding, high-tech equipment such as computers, printers and other office supplies, and a wide range of activities to be performed that end up serving primarily as short-term employment for some people and as sources of income for the government.

More precisely, it was observed in this research that while councillors and lower-level officials are really in the background and not happy with the reforms, it appears that bureaucrats both from the central and LGA levels benefited a lot, with all kinds of resources from the LGRP. This is because they are the ones who manage the reform funds while councillors and other lower-level officials are restricted to participating in massive training seminars and workshops to build their awareness of the reform process, as opposed to higher-level bureaucrats. According to government publications, by October 2004, specially tailored training programs were being provided nationwide for 72,000 elected grassroots leaders, 2,537 ward executive officers, 3,447 councillors, 106 council directors and 104 district commissioners (URT, 2004, 70). From this assertion, it appears that "training seminars and workshops" are what many at the grassroots level feel to be the extent of their benefits. One of the reasons for this might be because they have received allowances to attend these seminars and workshops. Since the government has limited means to pay such allowances for local politicians and bureaucrats, donor projects are considered a financial supplement. In responding to the same question regarding "beneficiaries," a councillor from the Mvomero District Council stated:

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

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

#### 7.0 Even After Such Eight Years . . . !

Having discussed the institutional shortfalls of the LGRP, we began asking our respondents, "What issues do you then believe were best addressed by the LGRP?" It was very surprised that

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

### **8.0 Conclusion**

Since the early 1980s, Tanzania has embarked on a number of comprehensive public-sector reform programs, and in many cases has received assistance from donors. However, one set of concerns, which seems to underlie policy conclusions in Tanzania, is the replaying of the politics of new policies and programs over and over without any tangible result or change in people’s socioeconomic conditions. It appears from the analysis done in this paper that, bureaucrats and government actors in Tanzania are fond of new “policies” and “reforms” not because they are interested in making change in the governance system, but because they benefit personally from these policies and reforms.

There is a clear indication from theoretical and empirical findings discussed in this paper that what the government endeavours to do is not actually to solve the problems of governance in Tanzania but to benefit the government and a select group of people in the country. For instance, while the LGRP was expected to contribute to a significant reduction in the proportion of people living in poverty, the population living below the national poverty line (approximately US\$1 per day) just after the LGRP started in 2001 was 35.7 per cent, whereas in 2007 just before the LGRP ended, 33.4 per cent of people lived below the national poverty line (see Ellis and Freeman, 2004). As we were writing this paper, the LGRP II (2008–2013) was underway in Tanzania. The LGRP II is expected to address the following:

1. Build on what has already been achieved through the LGRP I;
2. Address important bottlenecks such as human resource autonomy for LGAs;
3. Make the D-by-D effort a government-wide undertaking in a way that LGRP I was not set up to be;
4. Give more emphasis on demanding accountability, and working with civil society;
5. Increase information, education and communication (IEC) efforts to citizens and across ministries, departments and agencies (MDAs);
6. Strengthen lower governance units and appraise further D-by-D from the council level;
7. Implement this through government officials and structures, unlike the LGRP I which was delegated to a separate team. (United Republic of Tanzania, 2008)

The Permanent Secretary in the PMO-RALG stated in his presentation at the National Convention on Public Sector Reforms that “it is now time to move on to another phase of devolution” (URT, 2008, p. 22) At this juncture it is now appropriate for us to argue that, if there was no tangible good governance resulting from the LGRP I, should we expect anything new from the LGRP II? From what the authors pointed out in this paper, there still remains a lack of a sense of citizen ownership of governance policy and reforms and a lack of perceived public interest in implementation at the local level.

As a conclusion to this paper, we are convinced to saying that, in order to achieve good governance at the local level in Tanzania, one need to address institutional shortfalls within the entire system of governance before even one can think of introducing any new policy or reform will yield positive results. As observed from this paper, there is a clear gap between the intended “institutional vision” of what a new local governance system after the LGRP I should be and actual outcomes. The lesson for new institutionalism is that structural adaptation can hardly induce behavioural modification in light of the twin obstacles of extreme poverty and a political culture that is generally accepting of corruption or other similar practices among public officials.

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