

Spring 2011

Public Perceptions of Corruption in Tanzania: How Does the Corruption Perceived by a Sample of People in Arusha, Tanzania Compare to Tanzania's Transparency International CPI Rating of 3.2 and What Does It Mean for Tanzania?

Kelly L. McDonnell
SIT Study Abroad

Follow this and additional works at: https://digitalcollections.sit.edu/isp_collection

 Part of the [Civic and Community Engagement Commons](#), [Inequality and Stratification Commons](#), [Infrastructure Commons](#), [Other Public Affairs, Public Policy and Public Administration Commons](#), [Policy Design, Analysis, and Evaluation Commons](#), and the [Public Affairs Commons](#)

Recommended Citation

McDonnell, Kelly L., "Public Perceptions of Corruption in Tanzania: How Does the Corruption Perceived by a Sample of People in Arusha, Tanzania Compare to Tanzania's Transparency International CPI Rating of 3.2 and What Does It Mean for Tanzania?" (2011). *Independent Study Project (ISP) Collection*. 983.
https://digitalcollections.sit.edu/isp_collection/983

This Unpublished Paper is brought to you for free and open access by the SIT Study Abroad at SIT Digital Collections. It has been accepted for inclusion in Independent Study Project (ISP) Collection by an authorized administrator of SIT Digital Collections. For more information, please contact digitalcollections@sit.edu.

Public Perceptions of Corruption in Tanzania

How does the corruption perceived by a sample of people in Arusha, Tanzania compare to Tanzania's Transparency International CPI rating of 3.2 and what does it mean for Tanzania?

Kelly L. McDonnell
SIT Tanzania
Independent Study Project
May, 2011

Acknowledgements

Thanks to my advisor, Reese Matthews for supporting and guiding me through this study all semester. Thank you to my translator, Gordy, I would not have been able to conduct this study without him. Thanks to Steve, for offering helpful insights about corruption and Tanzania, and for being a great friend all the semester. Thank you also to Mama June and Nana for always being at the office to help out with administrative tasks. This project was funded by and could not have been possible without SIT Tanzania, as well as my parents, Andy and Peggy McDonnell. And a special thanks to my twenty-two fellow students for listening to me go on and on about corruption all semester.

Abstract

The World Bank defines corruption as “the abuse of public power for private benefit.” The definition of corruption can have many permutations, however, and acts of corruption are rarely recorded, thus it is difficult to quantify the level of graft in a town, city, or nation. In response to this problem, non-governmental agencies like Transparency International proposed using questionnaire-based surveys to measure public perceptions of corruption. This particular study focuses on trying to measure perceptions of corruption in Arusha, Tanzania. Arusha is a major metropolitan area in Tanzania, located in the northeastern part of the nation. Using Arushans as the sample population, this study describes how a non-representative sample of Tanzanians perceives and is affected by corruption in their country. Tanzanians gave insights on what corruption is, where it comes from, if it will continue, and described any personal experience they may have had with corruption. The results give a unique point of view on how Tanzania’s Corruption Perception Index rating of 3.2 translates to public perception of corruption. Data was collected on April 8 to April 28, 2011 via oral interviews, with the help of a Kiswahili translator. The sample population was a randomly chosen sample of all buyers within the Central Market during the time of my study. Once this data was collected, I analyzed it using descriptive statistics and used the findings to create a picture of my samples’ perceptions of corruption in Tanzania. In total, 84.4% of my sample population of 180 short-interviews in Arusha, Tanzania responded that corruption exists in Tanzania. Of this 84.4%, 96.2% said that corruption impedes economic growth in Tanzania, and 72% admitted to having a personal experience with corruption. In addition, 54.4% of the total sample population thought that corruption would either continue or emerge in Tanzania in the future. The results indicate that corruption is rampant throughout Tanzania and affects the nation on multiple levels. Yet, the future of corruption in Tanzania remains in question and unfortunately, taming the lion and putting an end to corruption will not be an easy task.

Table of Contents

<i>Acknowledgements</i>	ii
<i>Abstract</i>	iii
<i>Introduction</i>	1
Figure 1 Wage Level Corruption Trade Off.....	4
<i>Study Site Description</i>	6
Figure 2 Arusha, Tanzania.....	6
<i>Methods</i>	9
<i>Results & Discussion</i>	11
Figure 3 Summary of Public Perception of Corruption in Tanzania.....	11
Figure 4 Perception of Corruption in Tanzania through Three Age Sets.....	12
Figure 5 The Future of Corruption in Tanzania.....	12
Figure 6 Perceived Impact of Corruption on Economic Growth in Tanzania.....	13
Figure 7 Perception of Corruption in Tanzania through Personal Experience.....	13
Figure 8 Perceived Scale of Corruption.....	14
Figure 9 Perceived Scale of Corruption: Separated by Age Sets.....	15
Figure 10 Perception of Corruption through Personal Experience.....	15
Figure 11 Personal Experiences with Corruption in Tanzania: Separated by Age Sets.....	16
Figure 12 Perceived Origins of Corruption in Tanzania.....	17
Figure 13 Perceived Origins of Corruption in Tanzania: Separated by Age Sets.....	18
<i>Limits & Recommendations</i>	25
<i>Conclusion</i>	26
<i>References</i>	27

Introduction

The World Bank defines corruption as “the abuse of public power for private benefit.” This is one of the broadest definitions of corruption, yet graft can occur on many levels and in multiple ways. Tanzi (1998) put it best when he said, “Like an elephant, while it may be difficult to describe, corruption is generally not difficult to recognize when observed.”

Corruption can occur on the national level, with politicians looking to benefit their country, and on the personal level, with a person from any walk of life looking to benefit himself or his friends and family at the expense of others. Since the definition of corruption can have so many permutations and because acts of corruption are rarely recorded, it is difficult to quantify the level of graft in a town, city, or nation. In response to this problem, non-governmental agencies proposed using questionnaire-based surveys to measure public perceptions of corruption. The most widely known of these surveys is the Transparency International Index, which ranks the perception of corruption in a nation on a scale from zero to ten, where ten represents a corruption free country and zero represents a country in which most transactions are corrupt. This study focuses on how corruption is perceived in Arusha, Tanzania.

Tanzania is located just below the equator on the coast of Eastern Africa and is surrounded by Kenya and Uganda to the north, Rwanda, Burundi, and the Democratic Republic of Congo to the west, and Zambia, Malawi, and Mozambique to the south. The capital city, Dodoma, is located in the center of the country. Other major metropolitan cities include Arusha, Dar es Salam (the administrative capital), Mbeya, Mwanza, Mtwara, and Stonetown in Zanzibar (Department of State 2011). Tanzania’s current history begins in the early 1700s with the settlement of the Maasai, who traveled to present day Tanzania from North Eastern Africa along the Great Rift Valley. The Maasai were agro-pastoralists, basing much of their economy on cattle and agricultural trade with neighboring Bantu farmers.

In the late 1800s, German colonialists looked to settle present day Tanzania, then called Tanganyika, as part of German East Africa and removed many ethnic groups, including the Maasai, from their land. With the German colonialists came expansion of trade and an influx of immigrants. The Germans held control of Tanganyika until the early 1900s when the British took control and set up a mandated territory in Tanganyika under the League of Nations. With this came further development, urbanization, and population rise. Urbanization resulted in the movement of many ethnic groups into the major metropolitan areas of Tanganyika. The

congregation of people from these ethnic groups promoted the creation of the Tanganyika African Associations (TAA), ethnic associations located in each city that helped immigrants settle in the city by finding them a house or a job. In the early 1950s, with the rise of African Independence movements, Tanganyikans began to look for independence from the British Mandate. One man, Julius Nyerere, united the various TAAs to create the Tanganyika African National Union (TANU), a national political structure designed to lobby for independence. Fortunately for Nyerere and the Tanganyikans, Britain's recent experience with the Mau-Mau in Kenya may have been key in facilitating peaceful negotiations between TANU and Britain. On December 9, 1961, Tanganyika received full independence from British rule without any revolutionary violence. The country united with Zanzibar and formed the United Republic of Tanzania on April 26, 1964 under the control of Julius Nyerere (Matthews, Personal Communication 2011). Nyerere led the country under his concept of Ujamaa, or African Socialism, defined in the Arusha Declaration of 1967. Under Nyerere's socialism, people were driven out of their villages so that they would move to new villages where social services were available, forcing people to start farms and businesses from scratch. As a result, agricultural resources became scarce and caused the famine of 1974 (Wilson 1995). Simultaneously, Nyerere nationalized wholesale trade, causing Tanzanian's entire trading system to collapse because the government did not have the infrastructure to import and transfer enough goods, thus provoking another food and commodity shortage (Wilson 1995).

Nyerere's socialism ultimately failed in the mid-1980s, with the government in decay and the nation facing considerable debt (Igoe 2004). By 1985, the Tanzanian national debt was 285% of GDP (Matthews, Lecture 1 2011). A solution to the debt Tanzania faced was to accept monetary aid from other countries and International Financial Institutions (IFIs). This aid came in the form of Structural Adjustment Programs (SAPs) and privatization of infrastructure and businesses. Under the International Monetary Fund's (IMF) SAPs, the Tanzanian government surrendered its control over the economy and was therefore dependent on money from foreign investors to fuel its economic growth (Igoe 2004). Organizations like the World Bank and IMF gave billions of dollars to Tanzania (and the money is still flowing), and Tanzania has seen significant macro economic progress from the time of Nyerere but the accumulation of wealth and so-called development has rarely trickled away from the ruling elite and urban areas. In 1985, just after the fall of African Socialism, Tanzania was rated 34th of 144 countries on the UN

Human Development Index (measured on life expectancy at birth, adult literacy, gross enrollment ratio and GDP per capita), yet in 2009, after an influx of billions of dollars in aid, Tanzania had fallen to 151st of 182 countries on the UN HDI (Matthews, Lecture 1 2011). Moreover, 57.8% of the population lives on less than 1 USD/day and 89.9% live on less than 2 USD/day (WB 2007 as cited in Matthews, Lecture 1 2011). Along with this, in 2007 Transparency International conducted a corruption perceptions survey in Tanzania, giving the East African nation a ranking of 3.2 on the Corruption Perceptions Index (as a quick reference, Britain was ranked at 8.4) (Matthews, Lecture 1 2011). The perceived corruption in Tanzania has its roots in Tanzania's history and the nation's relationship to world politics and economy. However, like the definition of corruption, it is difficult to pin point any one specific cause of the graft, instead it may be better to focus on the multiple potential causes.

As mentioned above, a massive amount of money enters Tanzania in the form of macro-aid through SAPs, yet it is rarely considered that it is this macro-aid that stimulates corruption and causes the African governance crises (Moyo 2009). Under the SAPs, the Tanzanian government relinquished much of its power over the economy and business. Thus, the government had little role in regulation of administrative activities—such as the granting of licenses and permits—potentially allowing the officials in charge of such administrative work to use their power to refuse authorization or greatly delay the process unless bribe money was presented (Tanzi 1998). In addition, most of the businesses in Tanzania were privatized under Nyerere, which tends to be closely linked with corruption (Moyo 2009). Under privatization, high-powered officials and other insiders have information that is not available to outsiders and can therefore manipulate the business for their own benefit (Tanzi 1998). Furthermore, the billions of dollars of aid money flowing into Tanzania under Structural Adjustment resulted in sizeable extra-budgetary accounts, which are considered to be direct contributors to corruption (Tanzi 1998). Often, this money is channeled through “special accounts” which tend to be non-transparent and are often used for illegitimate purposes or flow into the pockets of important politicians and their friends and family.

Wages are also linked with corruption. There is a statistically significant correlation between corruption and wage levels, so that as wage increases, corruption declines, until a specific apex, where corruption will begin to increase again with increasing wages (Figure 1) (Van Rijckeghem and Weder 1997, as cited in Tanzi 1998). The positive correlation is referred to

as “corruption for need,” meaning that bribes are used to supplement wages. The negative correlation is termed as “corruption for greed,” reflecting that excess money can fuel corruption, thus even when wages are high, corruption can continue to exist because people are simply greedy.

Figure 1. Wage Level Corruption Trade-Off

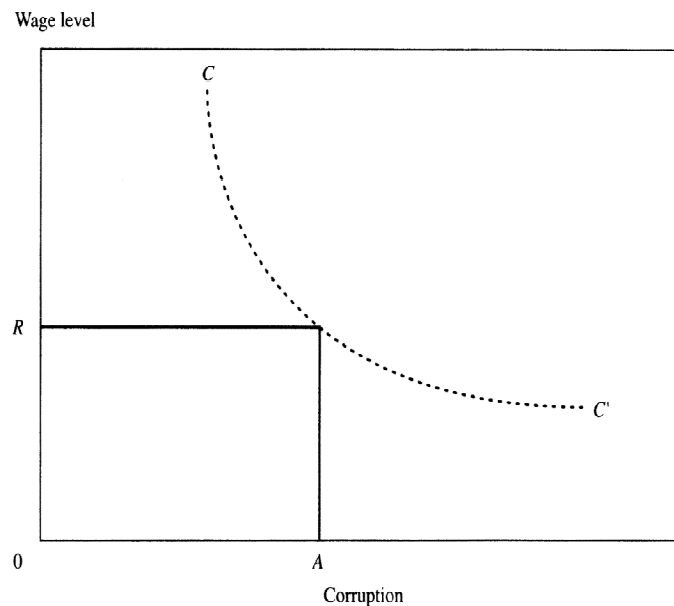


Figure 1 Wage Level Corruption Trade-Off: The curve CC' represents the trade-off between the level of corruption and the level of wages. The higher the wage level, the lower the corruption level. Assume that OR represents a wage level that is the minimum required by the family for a decent living. It can be assumed that OA is corruption due to greed, while corruption beyond OA is corruption due to need.

Corruption can also exist because of faulty penalty systems that often fuel corruption instead of mitigating it. In Tanzania, it is not uncommon for police officers and judges to accept bribes instead of prosecuting the criminal. Along with this, Tanzi (1998) explains that when the penalties for corruption are severe, the number of corrupt acts may be reduced, but the market for higher bribes to avoid prosecution may increase. Lastly, there are anti-corruption agencies in Tanzania located in the Office of the President that are intended to find and report acts of corruption to the government. However, these agencies are known to engage in corruption themselves, taking bribes from the corrupt people they seize in exchange for release (Personal Communication, Robert 2011).

As a ‘developing’ country with a transitioning economy, what effect is corruption having on the growth and development of Tanzania? There have been arguments for both sides of the coin—that corruption promotes growth; and that it hampers the development of a nation. Lui (1985) has argued in favor of corruption for economic growth, describing how bribes can be efficient because they save time for people who hold time most valuable. In addition, Beck and

Maher (1986) suggest that firms that are most efficient will have enough liquid capital to offer the highest bribes; therefore corruption selects for the firms with the highest efficiency and promotes growth. Along with this, corruption can supplement low wages, a trend that is common in Tanzania. Bribes offer another mode of obtaining money for food and shelter, an example of corruption for need, and can allow the government to keep public taxation low, which can encourage growth (Tanzi 1998).

These theoretical arguments all suggest that corruption will foster growth, yet there are also many arguments that link corruption with stunted growth. For example, in a later paper, Lui (1996) argues that corruption impedes growth because it provides individuals with capital that can be used to further corruption opportunities, an example of corruption for greed. In addition, Murphy, Shleifer, and Vishny (1991) propose that firms with the capital to pay high bribes may not be the most economically efficient, but instead the most successful rent seekers, considering the high bribes as investments. If this is the case, corruption creates a barrier to entry, which will decrease the progress of growth. Furthermore, Tanzi (1998) suggests that bribes for increasing time efficiency will not favor efficient development, but will provoke bureaucrats to draw out administrative processes, thus decreasing efficiency and slowing growth.

This particular study focuses on measuring perceptions of corruption in Arusha, Tanzania and how corruption may be affecting the nation's economy. Arusha is a major metropolitan area in Tanzania, located in the northeastern part of the nation. It is a hub for tourism and trade, as well as for administrative processes and international relations. Using Arushans as the sample population, this study describes how a non-representative sample of Tanzanians perceives and is affected by corruption in their country. Tanzanians gave insights on what corruption is, where it comes from, how it effects the economy, if it will continue, and described any personal experiences they may have had with corruption. The data gives a unique point of view on how Tanzania's CPI rating of 3.2 translates to public perception of corruption. Corruption can occur on multiple levels and through multiple modes, thus it is important to understand how Tanzanians view and are affected by corruption and how corruption may be promoting or hindering the growth of the nation.

Study Site Description

Arusha is located in northeastern Tanzania and is one of the major metropolitan areas of the nation. It sits in between Mount Kilimanjaro to the south and Mount Meru to the North (Figure 2). The city is currently home to 1,288,088 people, with equal percentages of men and women. Forty-four percent of the population is 0-14 years of age, 53% is 15-64 years old, and 3% of Arusha's population is over 64. On average, there are 4.5 individuals per household. The main language spoken in Arusha is Kiswahili; yet there are many English speakers as well as influences from Kimaa, Kiwaarusha, and Kichagga.



Figure 2 Arusha, Tanzania

Approximately 20% of the adult residents in Arusha do not have any form of education. Western education is becoming more prevalent, however, especially in younger generations because all Tanzanian children are required by law to attend primary school. In regard to employment, approximately 42% of Arushans engage in agriculture and other prominent employment opportunities include trade, mining, construction, transportation, manufacturing, and civil services (NBS.gov 2011).

The range of ethnic influences found in Arusha stems from the city's history. In the early 1800s, the area surrounding present-day Arusha was inhabited by the decedents of the Maasai, called Waarusha. The Waarusha had settlements extending south of Mount Kilimanjaro, to the base of Mount Meru and to the Narok River. The area was situated between pastoralist plains and productive agricultural lands, making it a prosperous region in which trade thrived. In the

mid 1800s the Waarusha established Arusha town as a center for trade with other agro-pastoral groups.

Germany took an interest in the economic success and prosperity of Arusha and looked to settle the region in 1896. After an initially unsuccessful attempt, the Germans defeated the Waarusha tribe and established a boma in 1899. In the coming years, the town grew with the expansion of trade and the settlement of German farmers and traders, Indian traders, and immigrant Africans (Saldaña 2008).

In 1916, Arusha was captured by the British and was held under British Mandate until 1961. The British drafted a plan for the town that separated commercial and agricultural land and put monetary value to the land, a method that was incompatible with the ways of the Waarusha and caused tensions between the British and Waarusha. Along with this, the British demanded that the Waarusha sell their land and relocate their settlement, causing further struggle and decades of failed attempts at removing the Waarusha from the Arusha region. When the British were finally successful in relocating the Waarusha, their absence was quickly replaced by immigrant Swahili, Pare, Chagga, and other Tanzanian ethnic groups (Saldaña 2008).

Under British rule, trade continued to expand and the population continued to rise, especially with the completion of a road and railroad that connected Arusha and Moshi. Along with this, tourism and a link to the international community created a surge of commercial activity that amplified urban development in Arusha. Similar to the majority of Tanzania, Arusha's economy has centered primarily on agriculture. More recently, however, the town's economy has shifted toward a more industrial and trade based economy. Arusha also has a thriving tourism industry, which is a primary source of income for the city and is thus supported by many workers, from safari guides and drivers to hotel staff and 'hawkers'—locals that thrive on selling souvenirs and guiding tourists through the city.

Since Tanzania's independence from the British Mandate, Arusha has been a site of several significant political acts in Tanzania. In 1967, Arusha was the site of the signing of the Arusha Declaration. Arusha town survived the period under Ujamaa and continued to thrive as a nexus for trade, international relations, and tourism. In the late 1990s, Arusha became the center for the International Tribunal on Rwanda Genocide, an achievement that resulted in the influx of over 800 international lawyers and staff. Another major influence in Arusha is tourism and the establishment of the Tanzania Tourist Board—the goal of a million tourists by 2010 (almost

successful but financial crises of 2009 cut the numbers) increased infrastructure and Arusha's international exposure. In 2000, Arusha was chosen as the headquarters for the East African Community (EAC), a regional intergovernmental organization that includes the Republics of Burundi, Kenya, Rwanda, Uganda, and Tanzania. The placement of the headquarters in Arusha town strengthened Arusha's prominence as a center for administration in Eastern Africa. Along with this, on July 1, 2005, Arusha was officially promoted from a township to city status, reflecting the municipal's historical prosperity and success (Saldaña 2008).

During the most recent presidential and parliamentary elections in 2010, Arusha was the site of political controversy. A Chama Cha Manunduzi (CCM) party member (the current leading party) was a candidate running for parliamentary representative in Arusha and was charged with handing out bribes for votes while visiting villages around Arusha. Caught up in the accusation and trials to clear his name, the candidate dropped out of the race. Meanwhile, it came to be known that one of the opposing candidates, a member of the Chadema party, was giving out large sums of money in return for votes, yet he was not charged. As a result, the Chadema party candidate won the parliamentary position by using corruption as a tool to get ahead (Personal Communication, Robert 2011). Thus, Arushans are no stranger to corruption, making the city an ideal location to research how corruption is perceived in Tanzania.

Methods

The study frame of this project was the Central Market in Arusha, and the sample population was Tanzanian buyers in the market of varying age sets and gender. Data was collected on April 8 to April 28, 2011 via oral interviews with the help of a Kiswahili translator. The sample population was a randomly chosen sample of all buyers within the Central Market during the time of my study. The sample population was subdivided into three sub-population categories. Interviewees were categorized based on age set: Babu/Bibi (grandparents), Baba/Mama (parents), and Kaka/Dada (kids, fifteen years of age or older). The random sample was conducted by selecting every second person of each sub-population, starting with Babu/Bibi, then Baba/Mama and finally Kaka/Dada. The sample population is non-representative of Arushans and Tanzanians as a whole.

There was a series of short interviews over a period of ten days, with each interview lasting less than five minutes. In total, this process produced 180 short interviews, with 60 interviews for each subpopulation. During each short interview I asked the interviewee three to five questions and recorded their responses. The questions were as follows:

1. What is your definition of corruption?
2. Does corruption exist in Tanzania?
3. Is corruption promoting or hampering economic growth and development in Tanzania?
4. Have you had any personal experience with corruption in Tanzania?
5. Will corruption continue in Tanzania?

If the interviewee responded “no” to question number two, I did not ask question three, four, or five and instead asked, “Will Tanzania will become corrupt in the future?”

When the short interviews were completed, I conducted a series of long interviews, for which I had half hour-long conversations with people from each subpopulation. There were a total of twenty-four discussion-based interviews derived from the analysis of the short interviews, producing a total of four interviews per subpopulation. These long interviews dove deeper into specific topics and themes brought up during the short interviews. Interviewees were selected using the same random sample method as the short interviews, yet were not questioned further if they did not think that corruption existed in Tanzania. In addition to discussing the themes brought up in the short interviews, I asked the interviewees if they thought corruption

existed on the national or local level, from where they thought corruption originated, and if the interviewee had a personal experience with corruption, I asked to hear his or her story in detail.

Once this data was collected, I analyzed it using descriptive statistics and used the findings to create a picture of my samples' perceptions of corruption in Tanzania.

Results & Discussion

First, I will outline the results from the 180 short interviews through statistical analysis, then I will discuss the trends found in these results through the discussion of the twenty-four long interviews, for which the short interviews were used as a spring board.

Results: Short Interviews

In total, 84.4% of my sample population of 180 short-interviews in Arusha, Tanzania responded that corruption exists in Tanzania (Figure 3). Of this 84.4%, 96.2% said that corruption impedes economic growth in Tanzania, and 72% admitted to having a personal experience with corruption. In addition, 54.4% of the total sample population thought that corruption would either continue or emerge in Tanzania in the future.

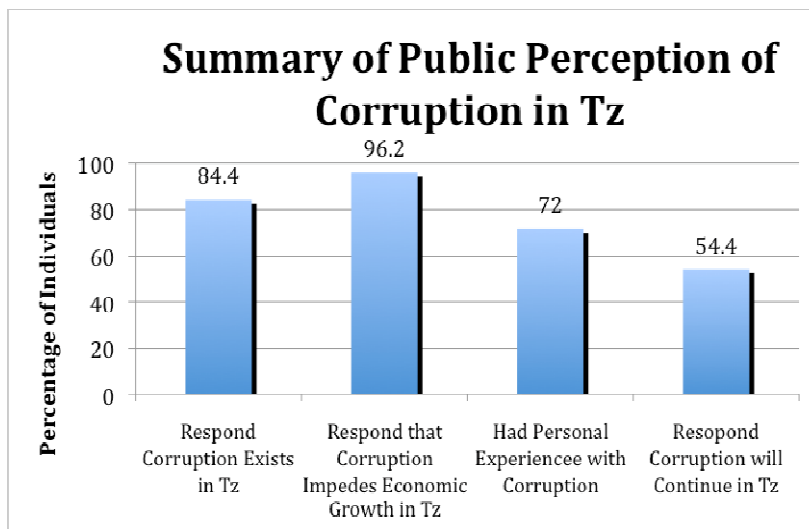


Figure 3 Summary of Public Perception of Corruption in Tanzania: Data was collected via 180 short randomly sampled interviews of a non-representative sample population in Arusha, Tanzania from April 8 – April 18, 2011.

Broken down into age sets, 81.7% of the Babu/Bibi sub-population affirmed the existence of corruption in Tanzania (Figure 4). Ninety percent of both the Baba/Mama and Kaka/Dada sub-populations also affirmed the presence of corruption in Tanzania. Almost 37% of the Babu/Bibi sub-population sample thought that Tanzania would be corrupt in the future, while 65% and 61.7% of the Baba/Mama and Kaka/Dada sub-population samples thought corruption would be present in Tanzania's future, respectively (Figure 5).

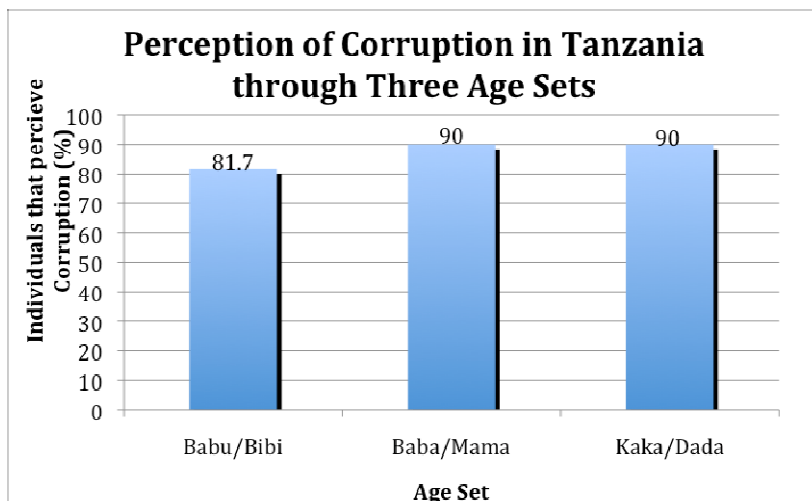


Figure 4 Perception of Corruption in Tanzania through Three Age Sets: Data was collected via 180 short randomly sampled interviews of a non-representative sample population in Arusha, Tanzania from April 8-April 18, 2011.

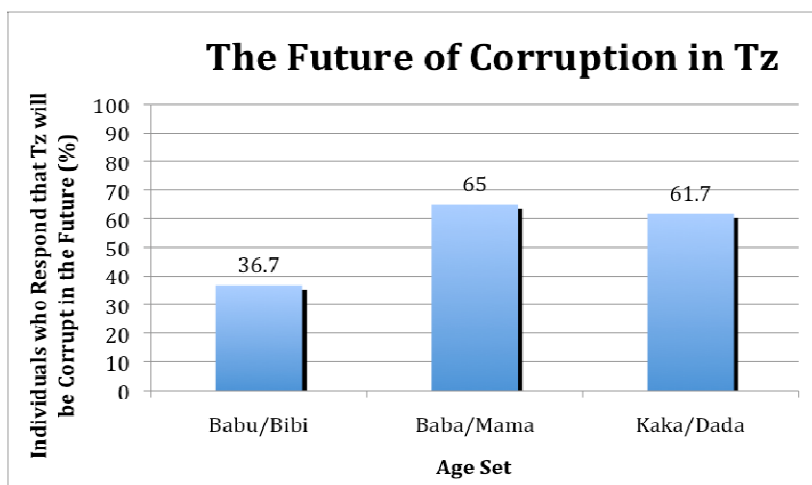


Figure 5 The Future of Corruption in Tanzania: Data was collected via 180 short randomly sampled interviews of a non-representative sample population in Arusha, Tanzania from April 8-April 18, 2011.

Of the sample population that said corruption exists in Tanzania, 98%, 90.7%, and 100% of the Babu/Bibi, Baba/Mama, and Kaka/Dada sub-populations, respectively, responded that corruption hampers economic growth in Tanzania (Figure 6). In addition, 71.4%, 79.6%, and 64.8% of the Babu/Bibi, Baba/Mama, and Kaka/Dada sub-populations, admitted to having perceived corruption in Tanzania through a personal experience, respectively (Figure 7).

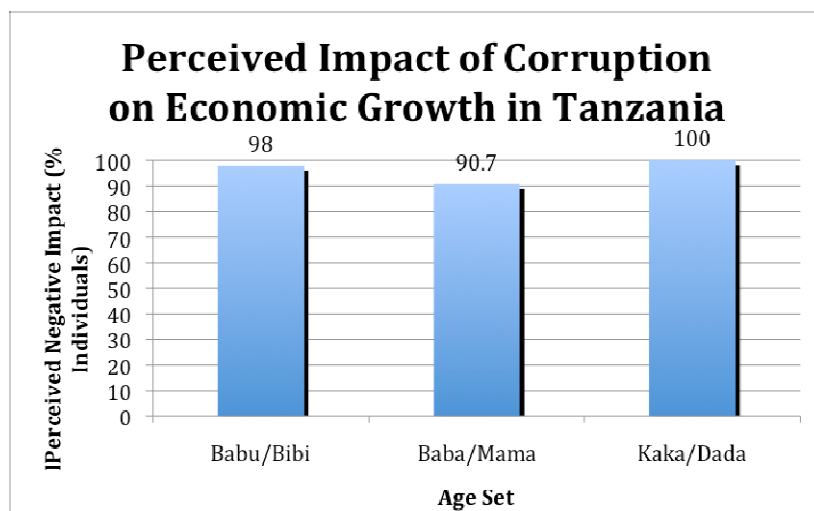


Figure 6 Perceived Impact of Corruption on Economic Growth in Tanzania: Data was collected via 180 short randomly sampled interviews of a non-representative sample population in Arusha, Tanzania from April 8-April 18, 2011.

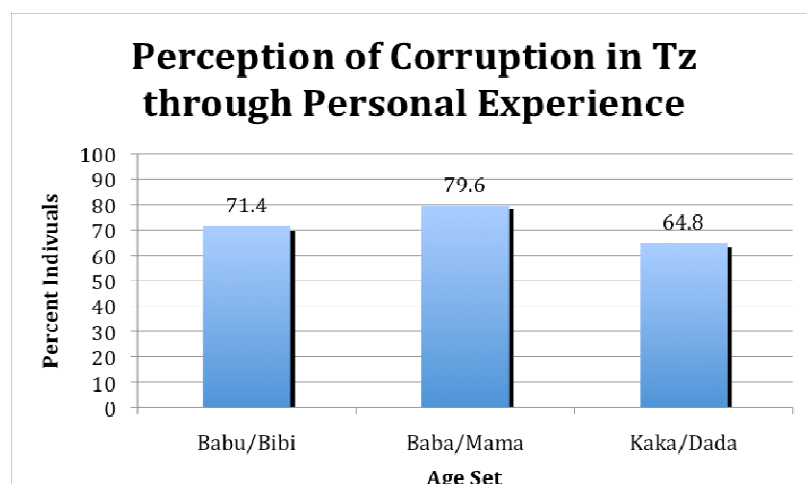


Figure 7 Perception of Corruption in Tanzania through Personal Experience: Data was collected via 180 short randomly sampled interviews of a non-representative sample population in Arusha, Tanzania from April 8-April 18, 2011.

The results presented above were used to create a framework for the long interviews so that the interviewees could give insights into the reasons for the trends in the results and expand on some of the themes that were brought up in the short interviews. These results are discussed below.

Results: Long Interviews

The twenty-four long interviews shed some more light on the perceived corruption in Tanzania. First, it is important to consider the scale of corruption in Tanzania, especially when determining how it is perceived and how it impacts Tanzanians. Interviewees from the long interviews were asked whether they thought corruption was most prominent on national or local levels in Tanzania. The results showed that approximately 42% of the sample population said that it

existed on the national level, 25% said that it existed on the local level, and 33% said that corruption permeated every level and sector (Figure 8). Some individuals described how corruption has become like a ‘lion roaming through Tanzania’, infiltrating every sector, making its great and powerful presence known. The individuals that saw corruption primarily on the national level explained that this corruption was in their leaders, who abused their powers to obtain money for themselves and for their families and friends. Interviewees described that on the local level, corruption existed in the local municipals, the police, and in individuals.

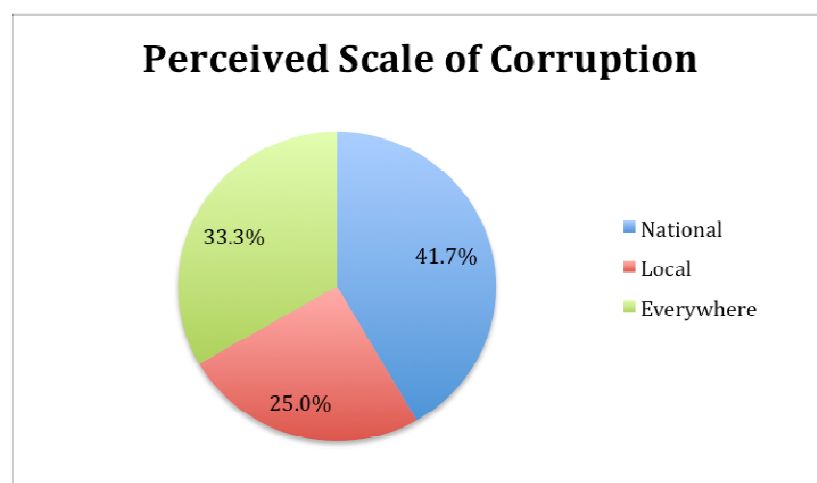


Figure 8 Perceived Scale of Corruption: Data was collected via 24 long randomly sampled interviews of a non-representative sample population in Arusha, Tanzania from April 21-April 28, 2011.

Analyzing this data through the responses of each age set revealed some striking results. Approximately 50% of the Babu/Bibi sub-population and 62.5% of the Kaka/Dada sub-population thought that corruption existed on the national level, yet only 12.5% of the Baba/Mama sub-population had the same opinion (Figure 9). Instead, 50% of the Baba/Mama sub-population thought that corruption existed on the local level. This may help explain why the results of the short interviews show that Babas and Mamas seem to be the sub-population that is most aware of corruption in Tanzania—they experience corruption at the local levels in their daily lives, where as corruption on the national level does not usually directly impact an individual (See Figures 4 and 7).

Perceived Scale of Corruption: Separated by Age Sets

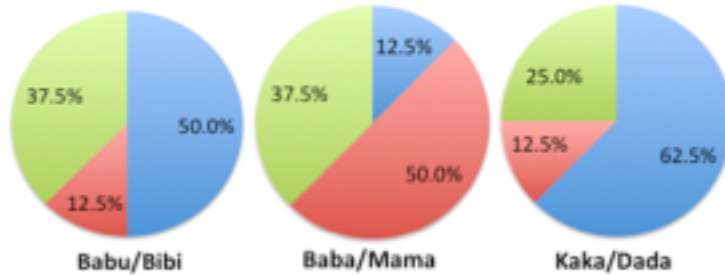


Figure 9 Perceived Scale of Corruption: Separated by Age Sets: Data was collected via 24 long randomly sampled interviews of a non-representative sample population in Arusha, Tanzania from April 21- April 28, 2011.

Corruption Experienced through Personal Experience

Each of the interviewees was also asked if they had had a personal experience with corruption, and if they would explain it. Seventeen out of the twenty-four interviewees (71%) responded that they had had a personal experience with corruption in Tanzania. According to these respondents, corruption is most commonly experienced through dealings with the police, in the employment industry, and in the hospital (Figure 10). For example, approximately 54% of the respondents described being forced to give money to the police to avoid going to jail or in order to be freed from jail, having to give employers money to be hired, and having to pay nurses in the hospitals so that they could be seen or to get a prescription filled correctly.

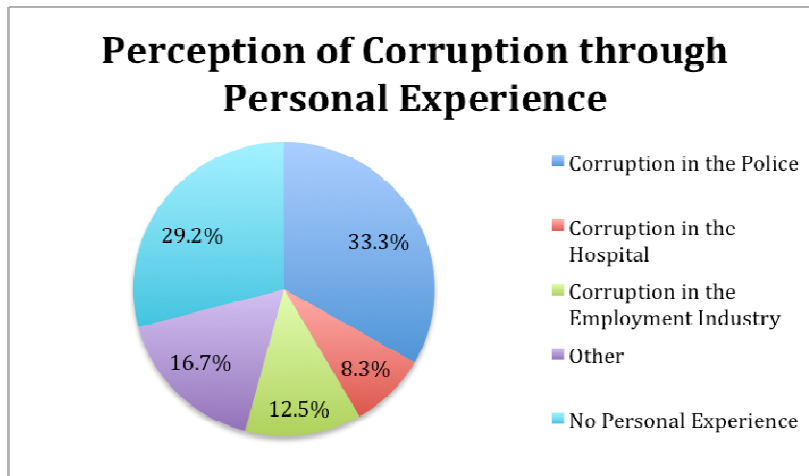


Figure 10 Perception of Corruption through Personal Experience: Data was collected via 24 long randomly sampled interviews of a non-representative sample population in Arusha, Tanzania from April 21-April 28, 2011.

Differences in the frequency and type of personal experiences were revealed when the interviewee responses were separated by age set. These differences follow the trends seen in the

short interviews, and may help explain the reasons for the trends. The Baba/Mama age set was the only age set in which all of the respondents had had a personal experience with corruption, while the Kaka/Dada age set had the most interviewees respond that they did not have any experience with corruption (Figure 11). Interviewees explained that the reason for these trends might include that the Mamas and Babas were more prone to facing corruption than the other age sets because they have jobs, they travel to town daily, and they need to provide for their families. Thus, their day-to-day activities put them in positions in which they may be involved in corruption. One Kaka explained, “Corruption comes along with their jobs.” Along with this, several people responded that Babas and Mamas take bribes themselves in order to supplement their low wages so that they can provide for their families. In addition, 50% of the Babas and Mamas said that their personal experiences dealt with the police and 25% said that their personal experiences occurred as a result of their employment. This could explain why the short interviews revealed that Babas and Mamas seemed to be the most perceptive to corruption in Tanzania: 90% of Babas and Mamas described Tanzania as corrupt and 78.9% said that they had a personal experience with corruption, the highest percentages out of the three age sets in both cases (See Figures 4 and 7).

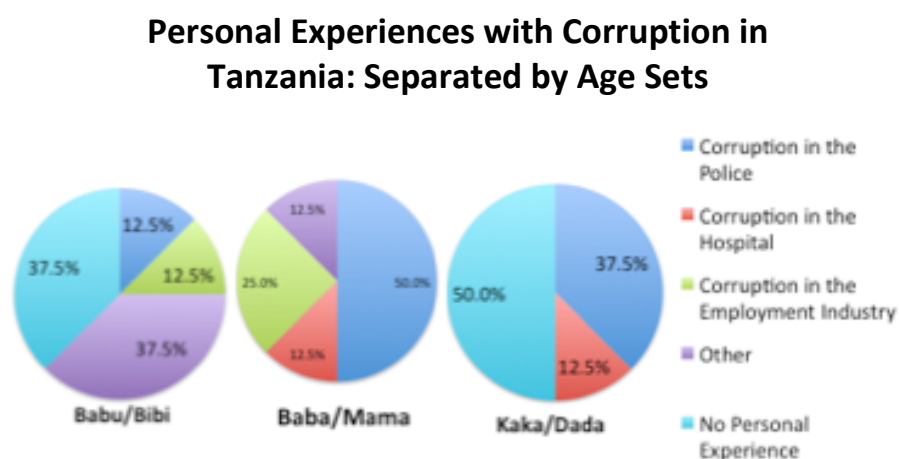


Figure 11 Personal Experiences with Corruption in Tanzania: Separated by Age Sets: Data was collected via 24 long randomly sampled interviews of a non-representative sample population in Arusha, Tanzania from April 21-April 28, 2011.

For the Kakas and Dadas, the interviewees gave conflicting reasons concerning their experiences with corruption. Approximately 13% of the respondents considered that 64.8% of Kakas and Dadas having had a personal experience with corruption was a high percentage, explaining that this high number was a result of their experiences of corruption in schools—bribing their teachers for passing marks—and when looking for jobs, as described above.

Another 25% of the interviewees thought that 64.8% was a low percentage and reasoned that few Kakas and Dadas had experienced corruption because they were too young, not educated about corruption, and were not yet in the work force.

The “other” category in Figure 10 includes three personal experiences that did not fall into corruption that involved hospitals, the police, or employment; they are listed below:

- A Babu needed to pay bribes to an advocate and to the municipal office when he tried to buy a plot of land, a process that, according to his rights as a Tanzanian, should be free.
- A Babu was forced to pay a man to get his umbrella from a storage place in the market, which should be a free service, he explained.
- A Mama explained that sellers in the market have to pay tax collectors additional money (more than the tax) to sell their goods.

Origins of Corruption

Each of the interviewees was also asked where corruption comes from, intentionally an open ended question, so as to prevent against bias. Interestingly, this question produced only three different answers: corruption comes from our leaders; corruption comes from the hardships of life; and corruption is innate, existing as far back as the times of Jesus (Figure 12).

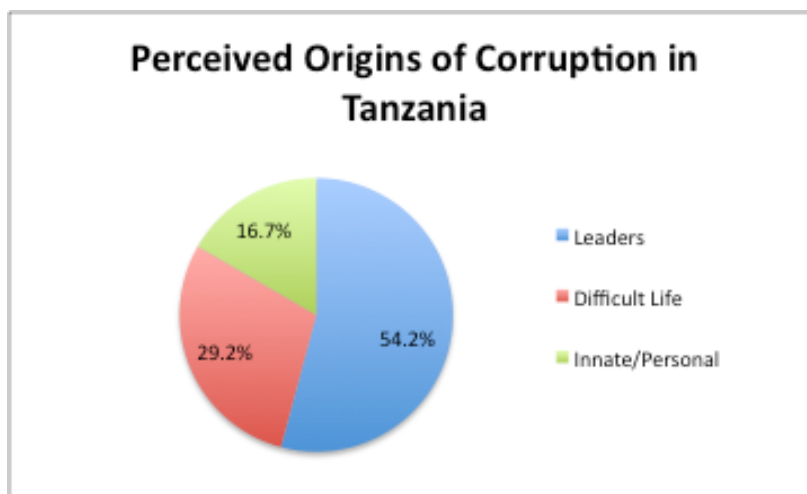


Figure 12 Perceived Origins of Corruption in Tanzania: Data was collected via 24 long randomly sampled interviews of a non-representative sample population in Arusha, Tanzania from April 21-April 28, 2011.

Approximately 54% of interviewees said that corruption in Tanzania stemmed from their leaders, explaining that they forced people to pay bribes, pocketed government money that was meant to go to projects and help Tanzanian citizens, and abused their powers to get rich while keeping the poor down. Approximately 29% of the sample population explained that corruption

existed in Tanzania because of the hard life that Tanzanians live. Tanzanians look for ways to supplement the low wages that they earn so that they can provide for themselves and for their families, thus often turning to corruption in the form of bribes—that is, corruption for need. Finally, approximately 16% of respondents said that corruption was innate within a person himself—that it has always existed, and is even mentioned in the Bible. They explained that a corrupt person was an immoral person and would remain corrupt even when his needs have been satisfied—that is, corruption for greed.

Further analysis of the long interviews revealed that there were stark differences between how the individuals in each of the three age sets responded to the question “where does corruption come from.” The Babu/Bibi age set was the only age set that mentioned all three of the sources of corruption described by the sample population, where as the Baba/Mama age set did not describe corruption as innate, and the Kaka/Dada age set did not respond that corruption existed because of the difficult lives that Tanzanians live (Figure 13). In both the Babu/Bibi and Kaka/Dada age sets, the majority of respondents said that corruption stemmed from their governmental leaders (62.5% and 75%, respectively). However, in the Baba/Mama age set, only 25% said that corruption came from the leaders, while 75% responded that corruption existed because of their difficult life. This may be the case because Babas and Mamas are the main providers for their family and therefore face the hardships of life daily, and may even take part in corruption themselves in order to take care of their families.

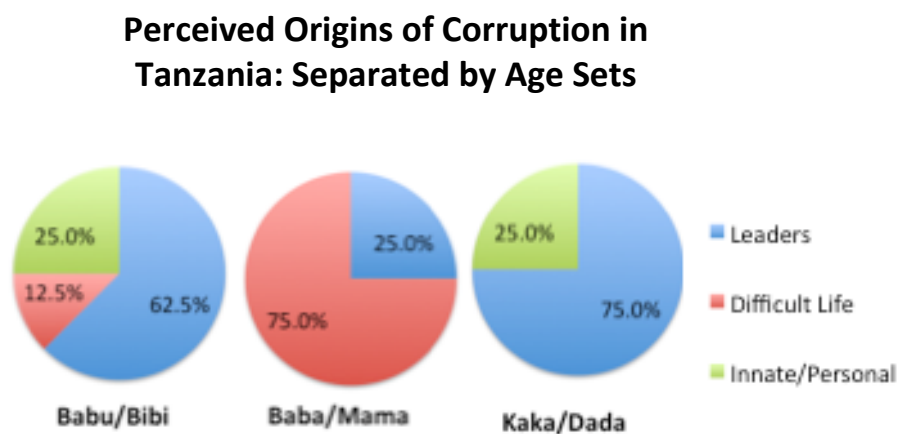


Figure 13 Perceived Origins of Corruption in Tanzania: Separated by Age Sets: Data was collected via 24 long randomly sampled interviews of a non-representative sample population in Arusha, Tanzania from April 21-April 28, 2011.

Economic Impacts of Corruption

The results of both the short and long interviews clearly show that public perception of corruption is high in Tanzania. Individuals see corruption at both the national and local levels, describing it as a lion that roams through the nation. In the Introduction, I conjectured how corruption is impacting Tanzania's economy, noting that there are ways in which it could fuel economic growth and other ways in which corruption destroys the economy. As noted above, approximately 84% of individuals interviewed said that corruption hampers economic growth and development (See Figure 3). Individuals interviewed in the long interviews gave some concrete examples as to how corruption may be impeding Tanzanian economy; they are listed below:

- Tanzanians need to pay for their basic rights, which should be free under Tanzanian law
- Tanzanian leaders invest money only in the National Parks and mineral extraction, profitable only to the leaders and foreign investors, not the average Tanzanian
- Tanzanian leaders and the rich use corruption to destroy the poorer classes
- Other countries do not want to help/invest in Tanzania because the leaders are corrupt
- Bribes are unexpected payments that eat up the already low wages Tanzanians earn
- Bribes are generally used for the economic gain of the individual, not the community
- Most employed people are under qualified for the position—they bribe their employer for the job; even students bribe teachers for passing grades. Thus, you see unqualified doctors, teachers, engineers, etc. that drain the economy
- Many people don't pay taxes (do business through non-transparent modes instead), so the government does not have enough revenue to fund projects and services that would aid Tanzanians

These concrete examples are evidence for and against the theoretical arguments presented in the introduction that describe how corruption can affect economic growth and development in a nation, revealing that while Tanzania's macro economy is flourishing, corruption is inhibiting Tanzania's micro economy. Despite Transparency International's 3.2 rating of perceived corruption in Tanzania, Tanzania has Africa's second fastest growing macro economy, growing at a rate of approximately 6% between 2000 and 2010 (Matthews, Lecture 1 2011). Along with this, Moyo (2009) asserts that there is no correlation between corruption on a macro level and the amount of aid money given to a nation. This holds true in Tanzania, with over \$2,934,000 of aid

given to the country as of 2009 (World Bank Development Indicators 2010). The idea that other countries hesitate to give aid to corrupt Tanzanian leaders is simply false. Yet, it is understandable that Tanzanians think that there is a lack of aid money from foreign nations because this money rarely reaches the local levels. A World Bank study concluded that as little as 15% of macro aid money actually goes to the place where it was initially intended (Moyo 2009). Thus, there is a disparity between the Transparency International and UN indicators for economic prosperity on the macro level and how these assessments translate to the local level. This is one reason why facts about Tanzania's prospering economy do not match how the sample population describes the state of the macro economy.

For example, approximately 20% of Tanzania's GDP comes from tourism and another 44% comes from mineral and raw material extraction which is why Tanzanian leaders and foreign nations invest so much money in these sectors (Matthews, Lecture 1 2011). Ferguson (2007) describes these investments as "capital-intensive" and "secured enclaves" that contribute little to the wider society. The profits from the National Parks, mines and cash crops in Tanzania fall under Ferguson's definition of enclaves because they contribute significantly to GDP and are profitable to investors, high ranking Tanzanian officials, and the wealthy 10%, yet very few of the profits are seen by the other 90% of the Tanzanian population. In fact, these enclaves are even thought to decrease individual and local economies because they exclude Tanzanians from using the land and the resources held within the enclave's boundaries.

Additionally, western education is considered to be the key to development in countries like Tanzania, however, according to the results of this study, the lack of education caused by corruption is impeding development on a micro level (Matthews, Personal Communication 2011). Tanzania's education system is pumping out poorly educated and unqualified students partly because students can bribe their teachers to obtain passing marks. This in turn creates an unqualified work force that can make their way into the employment industry by further bribing employers. Thus, corruption does not seek the most efficient and qualified workers, but instead allows unqualified people to fill important positions, providing evidence against the Lui's hypothesis (1985). What happens when a nation is built on unqualified teachers, doctors, lawyers, businessmen, and politicians? Not much in the way of micro-economic growth or development, to be sure.

Respondents also talked about how corruption takes advantage of their rights and that corruption continues to exist because many people are uneducated about their rights as Tanzanians. Interestingly, the word “rights” as constructed by western idealism does not exist in any Bantu language, of which Kiswahili is one. The term “rights” is a relatively new concept for Tanzanians, defined in 1949 by the UN Declaration on Human Rights. Many of the rights that westerners hold as inalienable as defined by our governments are not known by most Tanzanians and therefore easily taken away through corruption. Often, Tanzanians are forced to bribe police, advocates, and judges to avoid prosecution for “crimes” that are not really crimes at all. For example, one Kaka explained that the police incarcerated him for walking at night. This is not illegal and he was not engaged in another illegal activity, yet his mother had to pay off the policeman to get him out of jail.

Furthermore, little development is seen on the micro level because there are few projects that focus on benefiting communities. The government does not finance community-based projects because most Tanzanians do not pay taxes, which are meant to create revenue to fund such projects. Most of the business transactions that take place in Tanzania are under the table and difficult to track—how do you tax the Mama selling bananas on the street? Along with this, big business investors enjoy a tax holiday for the first five years of owning a business in Tanzania, making it desirable for foreigners to invest in Tanzania, yet Tanzania only sees the benefit of these transactions five years down the line. Moreover, even when transactions take place above the table, taxes are rarely collected because it is difficult to keep track of such transactions and track down tax evaders. Thus the businesses and money transactions that do exist in Tanzania do not make money for Tanzania. In addition, Moyo (2009) argues that a faulty taxation system can lead to a “breakdown in natural checks and balances” that should exist between a government and its citizens—that is, if a person is paying taxes he typically ensures that he is getting something for his money. In the case of Tanzania, citizens know that they will not receive government services for the taxes they pay, so they simply do not pay them.

Along with these, corruption in Tanzania could also be hampering the macro economy despite the fact that it seems to be flourishing. For example, corruption draws out basic processes, in that it forces people to pay for basic rights and services, which disproves the argument put forth Beck and Maher (1986). Along with this, Tanzanian leaders and the elite obtain large sums of money through corruption, so much that their motive is generally not for

need, but for greed, thus using their excess capital to promote even more corruption, as described by Lui (1995). Furthermore, according to a study done by Graff Lambsdorff, there is a positive correlation between decreased corruption and increased productivity, implying that if Tanzania were to decrease its corruption so that it ranked at 8.4 on the CPI instead of 3.2, its GDP could increase by 20% (Moyo 2009). Thus, interviewees were right to describe that these examples of corruption affect their individual economy in the same way they affect their nation's economy.

According to the results of the short interviews, approximately 16% of respondents said that corruption fueled economic growth. All of the respondents from the long interviews explained that the people who answered this way were the ones who were involved in corruption—they think that corruption increases the economy because the bribes that they take increase their individual economy.

The Future of Corruption

According to the above results, corruption is rampant throughout Tanzania, but what is the future of corruption in Tanzania? The results of the short interviews revealed that 54.4% of the sample population thought that corruption would continue in Tanzania (See Figure 3). While this is the majority, it is only slightly the majority. Babas/Mamas and Kakas/Dadas were the most hopeful age sets, with more than 60% of individuals from each sub-population predicting that corruption in Tanzania would decrease or end in the future (See Figure 5).

Those who responded that corruption would not end had several explanations for this opinion. Approximately 17% of the respondents noted that corruption has always been present in the world, back to the times of Jesus Christ, and will therefore always exist. Another 17% explained that man is inherently immoral and greedy, thus corruption will continue as long as this holds true. Approximately 33% of the interviewees explained that the leaders of Tanzania are corrupt themselves and will not relinquish power or look to mitigate corruption because it is benefiting them. Moreover, one Kaka said that corruption would not end because life in Tanzania is too difficult for people to abandon corruption as a second source of income.

Many interviewees also explained that whether or not corruption continues depends on the government. Several Kakas and Dadas explained that if/when the current leading party, CCM, loses power there will be an opportunity to decrease corruption. Two Kakas and one Mama further explained that if the Chadema Party comes into power in the next election in 2015,

corruption will decrease because this party has set a precedent of giving aid money to local community projects and because many of the members are wealthy so they will not be easily corrupted. One Baba reasoned that corruption will not end unless the government grants citizens their rights, but that corruption could be mitigated because the government is already playing a big role in trying to abolish it—there is an organization in place called Takukuru that has spies in different sectors, like the courts, hospitals, and police force that fight corrupt acts. Others still explained that the current leaders need to be removed from power, but were not confident that the next party will be any less corrupt or take any action against corruption. Interviewees of the opinion that corruption will end in the future explained that this was because Tanzanians are becoming more educated on their rights and more aware of the existence of corruption, and will therefore fight to end it.

Interestingly, two main metaphors for corruption emerged in the long interviews that convey the notion that corruption in Tanzania will not end. First, corruption was described as a “lion” that roams through Tanzania. The use of this word to describe corruption is striking because lions are one of the most dangerous and frightening carnivores in Tanzania. Their enormous body mass is a force to be reckoned with and their roar reverberates in your body sending shivers down your spine; their powerful jaws and razor sharp teeth can rip the flesh of their prey effortlessly. Conjuring the image of a lion—a robust, unstoppable beast that has the power to destroy them in one swift movement—and associating it with corruption succinctly illustrates Tanzanian’s relationship to corruption and the notion that it cannot be stopped.

Interviewees also used the word “eat” to describe corrupt actions—Tanzanian leaders eat the money of the poor; bribes eat through your wages. In addition, Tanzanians often use “chai” or tea and other foods as a euphemism for corruption or bribe—asking for a cup of chai instead of outright asking for money (Robert, Personal Communication 2011). The type of food that is mentioned relates to the size of the bribe; “chai” is a small bribe, while ugali (main carbohydrate in many Tanzanian meals), refers to a larger sum of money (Matthews, Personal Communication 2011). For example, at the conclusion of each interview I gave the interviewee Tsh 500 to thank them for their input and time, and they would often remark that it was money for chai, implying that the money was a form of bribery. Ferguson (2007) also notes that phrases like ‘eating the people’ and ‘having a full belly’ are key metaphors that are known to describe selfish, exploitative wealth and power. Thus, associating corruption with the act of eating or being

overweight may be a way to convey that gluttony goes hand in hand with corruption. Moreover, associating corruption with food—a basic necessity for life—and with chai—a staple in Tanzanian culture and diet—implies that corruption is also an intrinsic part of life. This supports the point made by many respondents that corruption will never end, much in the same way that people will always have hunger and thirst.

Limitations & Recommendations

- A perfectly random sample was difficult to carry out because often the second Babu or Bibi (etc.) that we approached did not want to take part in our study, so we had to move on to the next and the next until we found someone to participate. Also, we would often approach a particular person to interview and the person with them would answer our questions instead. We accepted their participation as long as he or she was the same sub-population as our originally intended interviewee. This may have created a bias toward only those who wished to participate, excluding a certain sector of the population. In addition, we did not go in order—Babus then Bibis then Babas then Mamas, etc. Instead, because sub-populations were easier to find than others (i.e. Mamas), I often interviewed them first. I do not think this distorted the results of my study, however.
- I had three different translators and each may have had varying ways of translating similar phrases from Kiswahili to English and vice versa. For example, my second translator did not ask, “What is your definition of corruption?” and instead asked, “What are the problems, like in the market or in town?” This, as you would guess, produced very different answers. To remedy this, I suggest using one translator, and trying to make your wishes and instructions very clear.
- Interviewees may not have been as truthful as possible because they were skeptical of who I was and were afraid to talk openly about corruption. For example, some interviewees may have said that Tanzania had no corruption even though they thought corruption was present.
- At times, it was difficult to know if the interviewee was a buyer or a seller, some people were simply walking around. I recommend asking each interviewee whether he or she is a buyer or a seller before questioning them further.
- It was also difficult to discern the age set of some interviewees. An assessment was made as accurately as possible based on physical features. I recommend asking each interviewee their age set.
- In order to have a more successful study, I recommend allowing more time for research, a larger sample population, and a study frame that involves multiple locations.

Conclusion

This study was meant to provide an insight to how corruption is perceived by Tanzanian citizens in Arusha, Tanzania and to compare their perception to Tanzania's Transparency International CPI rating of 3.2. The results of this study support the notion that Tanzanians perceive that their nation is corrupt and that this corruption infiltrates every sector, from the government level, local level, and even on an individual level. Thus, a corruption perception index rating of 3.2 seems to be a fair assessment of the level of corruption in Tanzania. Yet, Tanzania's economy remains the second fastest growing economy in Africa and is the recipient of billions of dollars in foreign aid money. The discrepancy lies in the dissociation of the macro and micro scales. Through a macro lens, Tanzania's economy is flourishing, but when the focus is shifted to the micro lens, the picture is drastically different. Instead of a fast growing, successful economy that includes the top 10% wealthiest Tanzanians, you find individuals much like the ones interviewed for this study; individuals who are faced with the hardships of life everyday, needing to decide between taking a bribe and not feeding their family. The corruption that the sample population perceives may be one reason that despite 6% growth over the past ten years, Tanzania ranks 151st of 182 countries on the UN's Human Development Index and remains one of the poorest countries in Africa.

While no country in the world can claim to be free of corruption, the corruption that exists in Tanzania seems to be out of control and it is clear that Tanzania's corruption needs to be mitigated for the sake of the nation's development and for the well-being of its citizens. Yet, the future of corruption in Tanzania remains in question and unfortunately, taming the lion and putting an ending to corruption will not be an easy task.

References

- Beck, P. & M. Maher. (1986). A Comparison of Bribery and Bidding in Thin Markets, *Economic Letters*, 20, No. 1, 1-5.
- Ferguson, J. (2007). *Global Shadows: Africa in the Neo-Liberal World Order*. Durham, NC: Duke University Press.
- Igoe, J. (2004) *Conservation and Globalization: A Study of National Parks and Indigenous Communities from East Africa to South Dakota*. California: Wadsworth/Thomson Learning.
- Lui, F. (1985) An Equilibrium Queuing Model of Bribery, *Journal of Political Economy*, 93, 760-781.
- Lui, F. (1996) Three Aspects of Corruption, *Contemporary Economic Policy*, 14, 26-29.
- Matthews, R. (2011). Lecture 1: SIT Tanzania.
- Matthews, R. (2011). Personal Conversation: SIT Tanzania.
- Moyo (2009). *Dead Aid: Why is Aid Not Working and How There is a Better Way for Africa*. New York: Farrar, Straus and Giroux.
- Murphey K., A. Shleifer & R. Vischny. (1991). The Allocation of Talent: Implication for Growth, *Quarterly Journal of Economics*, 106, 503-530.
- National Bureau of Statistics (NBS). (2002).
<http://nbs.go.tz/index.php?option=com_content&view=article&id=103&Itemid=114>
- Saldaña, M. (2008). *Arusha, Tanzania*
<<http://macalester.edu/courses/geog261/msaldana/Arusha/index/html>>. 3 April 2011.
- Robert, Steve. (2011) Personal Communication: SIT Tanzania
- Tarimo, L. (2007) How Germans Gained Control over Waarusha, *The Arusha Times*,
<www.Arushatimes.co.tz> Issue 472. 3 April 2011.
- Tanzi, V. (1998) Corruption Around the World: Causes, Consequences, Scope, and Cures, *Staff Papers-International Monetary Fund*, 45 No. 4, 559-554.
- Wilson, A. (1995) Tanzania on Election Eve, People Want Change. *Economic and Political Weekly*, 30 No. 41, 2553-2554.

Guide to Arusha

Lodging

Meru House Inn

Nice guesthouse located right in town, close to restaurants, Shop Rite, and Internet cafes, and the Central Market. Tsh 20,000/night for a single, Tsh 10,000/person for a double

Erick & Ivy's

The house is located in Kwaidee, about 15 minutes from the center of town. This place has wonderful accommodations, which include a self-contained room and bathroom, kitchen area, and lawn space. Down the street you will find a small market, restaurants, and local bars. Lodging includes a laundry service and you can ask for breakfast and dinner for a small-added fee. I highly recommend staying here, Erick & Ivy are great hosts, and it will feel like you are at home, not in a hotel or guesthouse. Tsh. 10,000/night
Contact: Erick 0754598401, Ivy +254711216169, or Steve 0689767362

Food

There are tons of places to eat in Arusha, these are some of my favorite

Empire

Located in “wazungu land” in the Shop Rite complex, serves tasty American food, I recommended the pizza. Like all things in wazungu land, it's pricy, but good. After you're meal check out the bar for some live music and drinks.

Geekays

Good food (I recommend the beans and rice), large portions, and very affordable. Located near clock tower, down the street from Klub Afriko Internet Café.

Green Hut

Serves a variety of American and Tanzanian cuisine, including burgers, chapatti, and beans and rice. Located down the street from clock tower, on the left if you're headed to the central Market Reasonably priced with items starting at Tsh 400.

Killamanjaro

Authentic Tanzanian food, very tasty and inexpensive. Located near Meru House Inn on the same side of the street.

McMoody's

Great place if you're craving American food—burgers, milkshakes, and ice cream. Located near the central market. On the expensive side, but well worth it.

Wraps

Hot-dog & burger stand down the street from clock tower. Great food if you're on the run, reasonably priced

Night Clubs & Bars

Go to these places, you will have fun

Triple “A”

Velocity

Empire

Via-Via

Maasai Camp

