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Poverty mobility in Tanzania and linkages with governance

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What is Chronic Poverty?

The distinguishing feature of chronic poverty is extended duration in absolute poverty.

Therefore, chronically poor people always, or usually, live below a poverty line, which is normally defined in terms of a money indicator (e.g. consumption, income, etc.), but could also be defined in terms of wider or subjective aspects of deprivation.

This is different from the transitorily poor, who move in and out of poverty, or only occasionally fall below the poverty line.

Abstract

In order to attain the Tanzanian Development Vision 2025 (TDV 2025), which entails eradicating absolute poverty by 2025, the National Strategy for Growth and Reduction of Poverty (2005-2010) (MKUKUTA I) sees governance as a key ingredient for poverty alleviation. However, many cases have arisen regarding decisions on and implementation of economic and social development activities being inefficient, associated with bribery, not transparent and inequitable. This paper identifies what governance issues really matter for poverty mobility in Tanzania, using data collected through key informant interviews, focus group discussions and individual life histories in Mtwara, Mwanza and Rukwa regions from September to November 2009 as part of a bigger study titled Chronic Poverty and Development Policy in Tanzania. It finds biases in the provision of education, health and water services; bribery in the construction of classrooms and the allocation and transfer of teachers; limited access to justice for women and poorer community members; lack of transparency of expenditure of community money and allocation of materials (including medicines) in the education, health and water sectors in some areas; limited participation in decision making as many community members do not attend meetings at which decisions are made; and late completion of construction works and distribution of agricultural inputs. These problems all exacerbate poverty. As such, it is recommended that MKUKUTA II (2011-2015) give more weight to governance issues, including those listed above, lest they slow the pace towards attainment of the TDV 2025.

Keywords: Governance, poverty, poverty reduction, NSGRP (MKUKUTA), TZS

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Contents

1 Introduction	5
2 Overview of governance and poverty	8
2.1 Overview of governance	8
2.2 Overview of poverty	8
3 Conceptual framework	11
3.1 Classical analysis of governance	11
3.2 'Good enough governance'	11
3.3 Governance in MKUKUTA I	12
3.4 Explanation of linkages among some elements of good governance and poverty movement...13	
4 Empirical findings	15
4.1 Findings with respect to growth and reducing income poverty	15
4.2 Findings with respect to education	29
4.3 Findings with respect to health services	33
4.4 Findings with respect to water services	34
4.5 Findings with respect to some grassroots-level factors	35
5 Issues emerging from the research	38
6 Recommendations	41

1 Introduction

Since Tanzania gained political independence in December 1961, poverty alleviation has been at the heart of the country's development plans. To start with, the government proclaimed three major enemies of the nation – poverty, ignorance and disease – to be eradicated as soon as possible. Since then, it has worked towards this goal and also striven to bring about development on other fronts. Through its implementation of Three-year Development Plans in 1962-1964 and Five-year Development Plans in 1965-1969, it achieved spectacular success in terms of food security, income levels and availability of education and health services by the early 1970s. However, a series of natural, internal and external events occurred between the mid-1970s and the early 1980s which undermined efforts to eradicate poverty. These included drought in 1973, 1974 and 1975, the oil crisis in 1973, the break-up of the East African Community (EAC) in 1977 and the war between Tanzania and Uganda from October 1978 to April 1979. In the 1980s, efforts to reduce poverty included home-grown economic recovery programmes: the National Economic Survival Programme (NESP) (1981) and the 1983 Tanzanian Structural Adjustment Programme, prior to adoption of international structural adjustment programmes (SAPs) in 1986. In 1998, the National Poverty Eradication Strategy (NPES) was formulated with the objective of reducing poverty by half by 2010. In 1999, the Tanzania Development Vision (TDV) 2025 was formulated, with the ambitious statement that, 'Abject poverty will be a thing of the past' by 2025.

As part of the Heavily Indebted Poor Countries (HIPC) Debt Initiative, which was designed to accelerate and deepen the process of debt relief for highly indebted poor countries, Tanzania formulated the Tanzania Poverty Reduction Strategy (PRS) in September 2000, to guide its efforts to reduce poverty from 2001 to 2004. In 2001, Tanzania attained HIPC completion point, after which substantial debt relief was granted. This and other resources were channelled mainly into the following priority sectors: primary education, basic health, water and sanitation, agriculture, rural roads, the judiciary and land (URT, 2000). However, even in the priority areas, resources were not sufficient to lead to appreciable changes over the three years of the PRSP. The 2005 National Strategy for Growth and Reduction of Poverty (NSGRP), which is widely known by its Kiswahili acronym (MKUKUTA), guided Tanzania's poverty reduction efforts from July 2005 to June 2010. The end of MKUKUTA I occurred two-thirds of the way towards the 2015 end point for the Millennium Development Goals (MDGs) and 15 years towards the 2025 targets of the TDV.

Under the PRS, gross domestic product (GDP) grew to 6.2 percent in 2002 but declined to 5.6 percent in 2003. Although this growth was higher than in previous years, e.g. 4.0 percent in 1995, it was clearly inadequate vis-à-vis the required growth rate of 6-8 percent per year for effective poverty alleviation. This was the reason behind changing the PRS into MKUKUTA I, with its emphasis on economic growth to ease poverty reduction. One of the main concerns of MKUKUTA I was to ensure that improvements at the macro level were

translated into micro-level economic achievements. MKUKUTA I adopted an outcomes approach, which counts on the contribution of all sectors towards growth and poverty reduction, through three clusters: growth and reduction of income poverty; improved quality of life and social well-being; and good governance and accountability (URT, 2005).

MKUKUTA I had the following priorities:

1. Stimulating private investment;
2. Infrastructure;
3. Human resource development;
4. Building a competitive economy and an efficient government;
5. Deepening ownership and inclusion in policymaking;
6. Paying attention to discriminatory laws, customs and practices that affect the economic and human development of vulnerable social groups (children, youth, girls, women, persons with disabilities, the elderly and retired people); and
7. Paying greater attention to mainstreaming crosscutting issues, including HIV/AIDS, gender, environment, governance, employment, children, youth, the elderly, disability and settlements.

In spite of these efforts, poverty, measured using various methods – qualitative and quantitative – is still prominent in Tanzania.

Cluster III of MKUKUTA I, on governance and accountability, was designed to provide the bedrock for achievements in Clusters I and II (URT, 2005). However, there are many cases of decision making on and implementation of economic and social development activities being handled inefficiently, corruptly (at least circumstantially), with a lack of transparency and/or unequally or at least inequitably. Various factors evidence the existence of such bad governance; for example, the MKUKUTA Annual Implementation Report of 2008/09 reveals that, between 2007/08 and 2008/09, 706 cases associated with corruption were investigated.

In view of this, the main concern of this paper is to identify why bad governance elements occur in Tanzania, groups of people that are more affected by such elements and how they affect mobility out of poverty. The specific objectives are to find indicators of governance that are more important for poverty alleviation; assess the views of community members on their movement out of poverty; and ultimately establish linkages between indicators of governance and those of both income and non-income poverty, particularly education, health and water. In doing so, it presents an analytical framework informed by Goran Hyden and Julius Court (2004) and Merilee S. Grindle (2002) (Figure 1) to sort out governance issues – both positive and negative – uncovered in nine focus group discussions (FGDs), 18 life histories and 19

key informant interviews in which governance issues were more prominent, out of 26 FGDs, 106 life histories and 46 key informant interviews conducted overall.

The data collection for this paper was carried out in Nkasi, Magu and Newala districts of Rukwa, Mwanza and Mtwara regions, respectively, from September to November 2009 under the auspices of the Chronic Poverty Research Centre (CPRC). The aim of the research was not to sample areas representative of Tanzania but to capture issues pertinent to poverty mobility. However, the findings were expected to bring to surface typical explanations for poverty mobility in Tanzania in general.

The sites were selected based on inclusion of urban and rural communities, and also had to have relatively high levels of poverty. Criteria also included the need for range of agro-ecological zones, including one or two clusters with cash crops and one or two clusters with some irrigated agriculture. The sites also had to be relatively under-researched. Rukwa is remote and marginalised, produces maize as the main cash crop, has very poor markets and is affected by grain reserve policies that prohibit the export of maize to the Democratic Republic of Congo (DRC) and Zambia. Mtwara's main economic activities are fishing/farming and production of cashew nuts as the main cash crop. Mwanza has been touched by liberalisation, and its inhabitants grow cotton, keep large numbers of cattle and are involved in fishing.

The empirical information the paper generates has the potential to inform the amendment or formulation of policy to improve governance so as to create more conducive conditions for poverty reduction.

2 Overview of governance and poverty

2.1 Overview of governance

The World Bank definition of governance is, 'the manner in which power is exercised in the management of a country's economic and social development' (World Bank, 1994, in Olowu, 2004). A review of the literature reveals that the term governance means different things to different people, but it is generally agreed that the differences in its definitions tend to crystallise along two separate lines, one regarding the substantive content of governance and the other regarding its character in practice (Hyden and Court, 2004). With regard to the first line, governance is viewed as being concerned with the rules of conducting public affairs. With regard to the second line, governance is seen as steering public affairs. In the first case, emphasis is on the institutional determinants of choice; in the second, it is on how choices are implemented. In view of the above two prongs of the term, Hyden and Court (2004) define governance as 'the formation and stewardship of the formal and informal rules that regulate the public realm, the arena in which state as well as economic and social actors interact to make decisions'.

Accordingly, it is apparent that having a comprehensive definition of the term 'governance' that exhausts the concept at various levels is difficult. Whatever the case, governance has to be good so that it can enhance economic and social development and help poverty alleviation efforts. As such, it is also important not only to define the term good governance but also to focus on its indicators, so that analysis of the linkage between governance and development or poverty reduction can facilitate determination and comparison of well-being levels where governance elements are better and where they are worse. Whereas this section defines good governance, Section 3 presents the indicators of the same concept. Good governance is conceived of from the process perspective, with an emphasis on rule of law, accountability, participation, transparency and human and civil rights (Olowu, 2004). The same author contends that good governance results from the activities of public sector institutions as they work with other societal organisations to formulate public policies and programmes, which are implemented to improve people's welfare, reduce poverty and realise other public and societal goals.

2.2 Overview of poverty

Poverty may be defined as a state of deprivation that results from many mutually reinforcing factors, including lack of productive resources to generate material wealth, illiteracy, prevalence of disease, discriminative socioeconomic and political systems and natural calamities, such as drought, floods and HIV/AIDS (URT, 1999). However, this definition is not comprehensive, since poverty is a multidimensional phenomenon. A comprehensive definition of poverty would have to include all of its indicators, which are innumerable, yet it would not make sense in some parts of the world because it is related to people's livelihoods

and lifestyles, which differ across the world. This is why some scholars, for example Sen (2001), prefer analysing poverty in terms of the capabilities a person has, that is, the substantive freedoms he or she enjoys to lead the kind of life he or she has reason to value.

Research on poverty started in 1899 when Seebom Rowntree investigated poverty in England and reported in 1901 that he had found that 10 percent of the population of the city of York was living below the minimum needed expenditures (World Bank, 2001). However, it was not until the 1950s that the United Nations (UN) made promoting the economic development of poor countries an essential goal. Poverty alleviation was the main theme of the World Development Reports 1980, 1990 and 2000/01. Globally, strategies for poverty reduction, which started just after World War II, have been developing concomitantly with global social, economic and political developments.

In the late 1990s, strategies started to take the form of Poverty Reduction Strategies (PRSs), whereby 41 Highly Indebted Poor Countries (HIPC) countries, including Tanzania, were required to make efforts towards macroeconomic adjustment and structural and social policy reforms (Tan *et al.*, 2000). Despite these efforts, poverty has persisted in some countries, including Tanzania. For example, the Household Budget Survey (HBS) 2007 for Tanzania reports that incidence of poverty decreased only slightly from 38.6 percent in 1991/92 to 33.6 percent in 2007, as Table 1 shows. Measured against MDG 1, which has it that between 1990 and 2015 poverty should be reduced by half, Tanzania still has a long way to go.

The persistence of poverty in spite of efforts made to stem it has led to the new phenomenon of chronic poverty, described as a condition whereby hundreds of millions of people exist in conditions of extreme deprivation throughout much or all of their lives (CPRC, 2009).

Table 1: Levels of poverty in Tanzania in various years based on the national poverty line*

Area	Level of poverty							
	Headcount ratio (%) based on basic needs poverty line				Headcount ratio (%) based on food poverty line			
	1991/92	2000/01	2007	2010	1991/92	2000/01	2007	2010
Dar es Salaam	28.1	17.6	16.4	14.05	13.6	7.5	7.4	Not readily available
Other urban areas	28.7	25.8	24.1	14.35	15.0	13.2	12.9	
Rural areas	40.8	38.7	37.6	20.40	23.1	20.4	18.4	
Mainland Tanzania	38.6	35.7	33.6	19.80	21.6	18.7	16.6	

Note: * The poverty line for Tanzania is TSh 13,998 per adult equivalent for 28 days in 2007 prices; it is much lower than the international poverty line of \$ 1.25 per capita per day.

Source: NBS (2002; 2008); URT (2005).

The situation of poverty has improved more when measured in terms of non-monetary indicators of poverty. However, this is still less than the targets set in the 1998 National Poverty Eradication Strategy (NPES). Table 2 shows levels of well-being in the early 2000s and 2010, based on a number of indicators.

Table 2: Levels of well-being in Tanzania based on some non-monetary indicators

Indicators	Levels of indicators		
	Level in 2000/01 (%)	Level targeted by 2010 (%)	Level attained by 2007 (%)
Cluster 1: Growth and reduction of income poverty			
Growth of the manufacturing sector	8.6	15.0	9.9
Growth of the agricultural sector	4.9	10.0	4.6
Growth of the livestock sub-sector	3.9	9.0	2.6
People below national basic needs poverty line	35.7	24.0	33.6
Rural men and women below food poverty line	18.7	14.0	16.6
Urban men and women below basic needs poverty line	25.8	12.9	24.1
Urban men and women below food poverty line	13.2	NRA	12.9
Cluster 2: Improvement of quality of life and social well-being			
Net enrolment of boys and girls in primary schools	66.5	99.0	95.9
Students passing primary school leavers' exam	28.6	60.0	52.7
Transition from primary to secondary school	22.4	50.0	51.6
Net enrolment of boys and girls in secondary schools	6.0	50.0	27.8
Students passing Form IV national exam (Division I-III)	25.8	70.0	26.7
Girls and boys enrolled at advanced level of secondary school	NRA	25.0	NRA
Literacy rate of population aged 15+ years	71.0	80.0	72.5
Infant mortality	99.0	50.0	58
Under-five child mortality	14.7	7.9	9.1
Maternal mortality	52.9	26.5	NRA
Births attended by trained personnel	50.0	80.0	46.0
HIV prevalence among 15-24-year-old pregnant women	11.0	5.0	5.7
Rural people with access to safe water within 30 minutes	42.0	65.0	40.0
Urban people with access to safe water within 30 minutes	85.0	90.0	80.0
Access to improved sewerage facilities in urban areas	17.0	30.0	NRA

Note: NRA = not readily available.

Source: NBS (2002; 2008); RAWG (2009).

3 Conceptual framework

The analytical framework for this paper (Figure 1) is devised from the explanation of governance issues contained within the following sections.

3.1 Classical analysis of governance

There are various ways to analyse governance and how it is linked to issues such as poverty, democracy and social and economic development. One common way is that suggested by Hyden and Court (2004), who outline basic governance principles according to the World Governance Survey, which reflect the emerging global consensus on what should and could constitute good governance: 1) participation – the degree of involvement and ownership of affected stakeholders; 2) fairness – the degree to which rules apply equally to everyone in society regardless of status; 3) transparency – the degree to which decisions made by public officials are clear and open to scrutiny by citizens; 4) decency – the degree to which the formation and stewardship of rules are undertaken without humiliation of or harm to the people; 5) accountability – the degree to which public officials, elected and appointed, are responsible for their actions and responsive to public demands; and 6) efficiency – the degree to which rules facilitate speedy and timely decision making.

Hyden and Court (2004) also give six dimensions, each with five indicators, based on the World Governance Survey: 1) socialising – whose indicators are freedom of expression, freedom of peaceful association, freedom from discrimination, opportunity for consultation and public duties; 2) aggregating – representativeness of legislature, political competition, aggregation of public preferences, roles of legislative function and accountability of elected officials; 3) executive – freedom from fear, freedom from want, willingness to make tough decisions, political–military relations and attitude to peace; 4) managerial – scope of policy advice, meritocracy, accountability of appointed officials, transparency and equal access to public services; 5) regulatory – security of property, equal treatment, obstacles to business, consultation with the private sector and international economic considerations; and 6) adjudicatory – equal access to justice, due process, accountability of judges, incorporation of international human rights norms and predisposition to conflict resolution. Although these dimensions and indicators are useful for analysing good governance and its linkages with issues like poverty and others, as mentioned above, they have been challenged in the context of ‘good enough governance’, described below.

3.2 ‘Good enough governance’

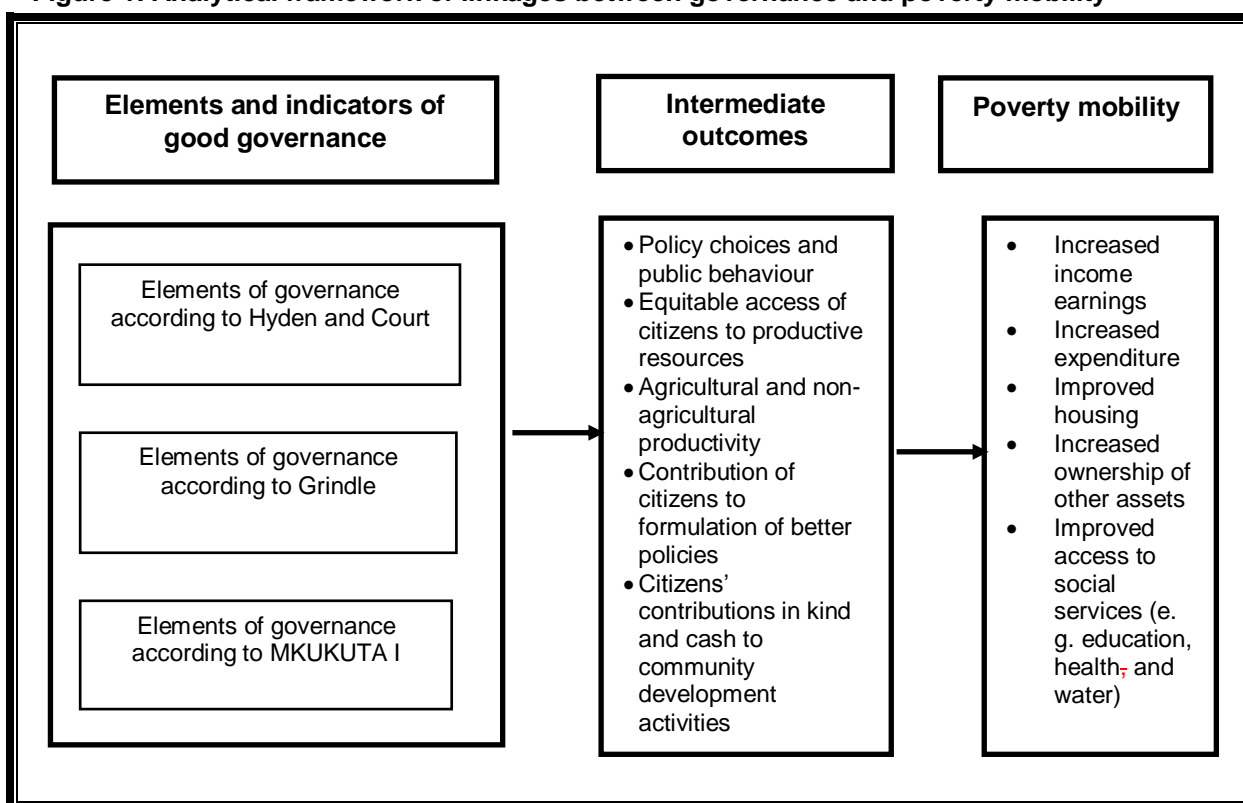
According to Grindle (2002), when good governance is seen as a necessary ingredient for reducing widespread poverty in poor countries as a condition for debt relief, these questions become more complicated. Grindle argues that, as much as good governance *per se* is

desirable, countries with a long list of things 'to be done' to reduce poverty should sort out their governance issues, with a view to addressing a reasonably small number of them that are the most important, hence the term 'good enough governance'. Accordingly, Grindle defines this as 'a condition of minimally acceptable government performance and civil society engagement that does not significantly hinder economic and political development and that permits poverty reduction initiatives to go forward'. Based on World Development Reports from 1997 to 2002/03, Grindle puts forward a list of 178 items that development-oriented governments are advised to adopt and practise (Appendix 2). She urges countries to heed the list but cautions that it may be difficult to identify a desirable condition or action that is not conducive to good governance. Grindle also presents a list of dimensions of poverty and governance (Appendix 3).

3.3 Governance in MKUKUTA I

Following the 1997 World Development Report on governance, Tanzania gave more emphasis to good governance as an ingredient in poverty alleviation. For example, the PRS written in 2000 underscored the need to increase transparency and accountability, as well as financial support for sectors deemed key to poverty alleviation. MKUKUTA I stipulated a number of issues related to governance, including use of public resources (financial, informational and natural), management systems, personal security, tolerance and inclusion. Participation in decision making should be achieved through local government reform processes, school committees, cooperatives and farmers' associations, with representative and accountable governance structures and systems. MKUKUTA I also emphasised human rights, the need for a functioning and fair justice system and the war against corruption, as well as transparency of information on policies, the legal framework, laws and public finances. Public access to information was underlined as a human right as well as a key means to facilitate effective policy implementation, monitoring and accountability. Effective public administration was also advocated to ensure that systems of government were managed openly and in the interests of the people they served.

Figure 1: Analytical framework of linkages between governance and poverty mobility



In Figure 1, poverty mobility is the change (increase or decrease) in income and in education services, health services and water services. Changes in these dependent variables are contingent on changes in the elements and indicators of good governance listed on the left-hand side through the intermediate outcomes listed in the middle of the figure.

3.4 Explanation of linkages among some elements of good governance and poverty movement

In general, the better (worse) the performance of various actors with respect to the indicators of governance under the three categories presented in Figure 1, the higher (lower) the chances of reducing poverty at various levels. Stagnation is also explained by poor performance with respect to some of the elements. A few specific examples are given below.

3.4.1 Linkages between Hyden and Court's indicators and poverty reduction

The more freedom people have to express themselves with regard to how rules affect their opportunities to seek, receive and impart information, the more chance there is of the rules being regulated to be pro-poor, and hence the poor are more likely to exit poverty. With regard to the indicator of peaceful association, the extent to which citizens can form and belong to associations of their own choice and form associations for income generation increases the chances of them working efficiently (such as exploiting economies of scale)

and exiting poverty. On public duty, the extent to which citizens respect the rules that are necessary to achieve common and public goods, such as through labour contributions to the construction of, for example, community schools, dispensaries and water infrastructure, increases the chances of poverty reduction at the community level.

Meanwhile, high accountability of elected officials to constituents has the potential to increase the chances of poverty alleviation at various levels through their abidance by the rules and regulations and their efficient and equitable use of economic resources. Their accountability is reflected in the extent to which mechanisms such as audits, courts and other organs operate in holding public servants accountable. Bhattacharya (2003) contends that public officials should be accountable to the internal hierarchy, legislature, judiciary, citizens and media. Leaders should abide by clearly formulated and transparent processes and commit to citizens' safety and security, rule of law, public agencies' responsiveness to the needs of the public, social and economic development for the benefit of all citizens in an equitable manner and readily available information through freedom of association, freedom of expression, freedom of the press and so on (World Bank, 1992, in Bhattacharya, 2003).

3.4.2 Linkage between Grindle's indicators and poverty reduction

Fair and transparent national electoral processes bring in leaders who are legitimate, more competent and accountable. Such leaders work more efficiently and act more fairly towards citizens. Therefore, the chances of citizens implementing what the leaders tell them, for example with respect to poverty alleviation, are higher. Another linkage is that the presence of sound institutions for local and national representation makes it more possible for people to raise their voices in relation to their needs and services, and in turn increases their chances of exiting poverty. Moreover, if pro-poor budget priorities for service provision are set, more people will obtain access to services such as education, health and water.

3.4.3 Linkage between MKUKUTA indicators and poverty reduction

Proper use of public resources is vital to ensuring that resources are not squandered by a few people and instead are budgeted well for various activities. Tolerance and inclusion are important to enable people from various political parties to work together, for example in the implementation of development projects at village or street level. The element of participation in decision making is important to enable people to prioritise problems and solutions to problems so that development projects based on such prioritisations will gain popularity and ownership in the community. This will increase projects' level of success because people will become committed to implementing them. The war against corruption is very important to create conducive conditions for people to obtain fair treatment, for example with regard to access to resources and services for poverty alleviation.

4 Empirical findings

This section presents the findings of the research in light of the analytical framework presented in Figure 1. Since both good and bad elements of governance were found during the research, cases of good and bad governance are presented. We also analyse the linkages between governance variables and poverty variables.

4.1 Findings with respect to growth and reducing income poverty

Agriculture is the main economic activity in all the three districts. Some people are also involved in other activities, such as trade, manufacturing, casual labour and salaried employment, to mention a few. Therefore, we report on governance issues that enhance and constrain improvements in both farm and non-farm activities.

4.1.1 Governance issues enhancing income generation

In relation to agriculture, all communities had the warehouse system of crop products marketing, which was introduced in 2006 nationwide. In Magu district the system was already working well, but in Mtwara and Rukwa people were still sceptical about it. This system was designed to enable farmers to store their crop products so they could wait for prices to improve and therefore obtain better prices; without warehouses, traders could buy crop products during the harvesting period at low prices, store them and, later on in the same agricultural season, sell them at high prices, sometimes back to the same farmers. In one focus group discussion in Newala district, discussants agreed as follows:

'The warehouse system is better than the private buyers' system because the price is stable (the same from the beginning to the end of a buying season); there is no cheating in the measurement of the amount of cashew nuts one sells at the buying centre; and private traders from distant places do not go through villages buying cashew nuts using a *kangomba* [bowl], which weighs 1.25 to 1.8 kg when it is full but the buyers buy it for the price of 1kg. We should be happy with the warehouse system since it has decreased the use of *kangomba*.'

Focus group discussion, Mtwara

However, some discussants were against the warehouse system. In response to this, a Village Executive Officer (VEO) said:

'The warehouse system is much better than private buyers. With the latter system, the price was good in only one year (2003) from 2000 to 2006, when private buyers were buying cashew nuts. In all other years the price was very low. Worse, they cheated farmers with measurements. For example, some private buyers were assisted by middlemen to buy cashew nuts from one house to another using the *kangomba*. In the warehouse system, no farmer is cheated in terms of the kilos sold, except those who sell

by *kangomba* for their own reasons. The big problem with our village, and the reason most people criticise the warehouse system, is that most inhabitants are members of the Civic United Front (CUF) opposition political party. Therefore, whatever plans are brought to the village, even if they are better than the previous ones, most people view them as political. The only problem I see with the warehouse system is that it does not pay the farmers all their money at once.'

Focus group discussion, Mtwara

Newala district in Mtwara, in addition to the warehouse system, has the Newala Farmers Association (NEFA). This had 11,703 members at the time of this study, who benefited from better knowledge on modern agricultural production, better awareness of fair prices for various crop products and having a collective voice to raise to higher organisations, including in relation to bargaining for lower input costs and better prices for crop products. With respect to good governance, this finding is linked to the element of establishing agricultural research and extension institutions: where such institutions work well farmers see improvements in well-being through agriculture.

Another governance issue enhancing income generation was the government decision in 2002 to waive a number of taxes that farmers used to pay, including the government levy. This has had a positive effect on the opportunities for smallholder farmers and other low-income earners to increase their income. In one focus group discussion in Mtwara district, discussants agreed unanimously with the following statement that one of them gave:

'Our poverty increased in 1983 when people were sleeping in forests running away from being forced to pay the development levy. Agriculture declined a lot because many people were not cultivating; they were hiding. We are happy that paying the development levy has been waived and transformed into deductions from the cashew nuts we sell. Such deductions are better than us being required to pay the development levy because we get time to do our economic activities and pay according to the amount of income from cashew nuts sold or other sources, unlike the development levy, which was paid at a flat rate regardless of whether one had an income or not and regardless of the amount of income obtained from economic activities.'

Focus group discussion, Mtwara

This is linked to pro-poor budget priorities and reforms for service provision, as put forward by Grindle. Some poor people have benefited from the implementation of this decision, as illustrated above, and the government has still obtained sufficient revenue through other sources.

In some villages, there was good use of the Opportunities and Obstacles to Development (O&OD) planning approach, utilised in Tanzania since 2004 to identify community problems, prioritise solutions in terms of development projects and implement these. For example, an FGD in one village of Mwanza region revealed that good governance prevailed in the community because of this method, with villagers assessing obstacles to and opportunities

for development and deciding together how to plan development interventions. O&OD had been used to plan the construction of classrooms and dispensary buildings and participation in water projects. Under the Health, Sanitation and Water (HESAWA) Programme, the people of the village had used O&OD to decide that each of the five sub-villages of their village should have one well and that the sub-village that was more populous should have two. This element of good governance is related to freedom of expression and equal access to public services, as put forward by Hyden and Court. It is also linked to the local decision-making institutions element of good governance put forward by Grindle and the participation element of good governance put forward in MKUKUTA I.

In Rukwa region, the necessary authorities are in place to facilitate trade between Tanzania and its neighbouring countries of Burundi, DRC and Zambia across Lake Tanganyika. For example, there is an immigration office to facilitate entry into and exit from Tanzania and a Tanzania Revenue Authority (TRA) office to educate taxpayers and ensure traders pay proper taxes. The presence of these services facilitates community members' endeavours to reduce poverty through cross-border trade. This is linked to the international economic considerations element of good governance put forward by Hyden and Court.

Another good governance issue is the decision of the government that every district should have at least one cash crop and should diversify its income-generating activities. Interviewees applauded this decision, since it has enabled districts that previously had no traditional cash crops to identify some food cash crops, and those that had at least one cash crop to diversify to include more cash crops. For example, rice was designated a food cash crop in Rukwa – where there was previously no formally recognised cash crop. In Mwanza region, rice as a food cash crop was added to cotton – a traditional cash crop. And in Mtwara district, groundnuts and *simsim* were identified alongside cashew nuts. Having a known cash crop attracts business people, increases the market for the crop and hence allows for more revenue.

However, some communities in Mtwara had found it difficult to diversify. At one village focus group discussion in the district, it was said:

'We have been urged by the District Agricultural Extension Office to diversify our crop production by growing groundnuts and *simsim*, but the two crops do not thrive well in our area. Therefore, some of our community members are migrating to Ruangwa district where the two crops thrive better, to grow them.'

Focus group discussion, Mtwara

This finding on cash crops and diversification is related to the element of agricultural research/extension institutions and of land use planning put forward by Grindle.

Improved rural roads between 2001 and 2005 was said to be another good governance element that had contributed to improved opportunities for income generation. This was

among the priorities of both the PRS and MKUKUTA I. In some communities, commendable steps forward had been achieved:

'Before 2005 we used to travel two hours from Wazabanga village to our district headquarters; now we go there anytime we like, even thrice a day. This facilitates our livelihoods, like buying goods to sell in our village.'

Dafrosa, Wazabanga, Mwanza

In Wazabanga village, the road to the district headquarters, 25km away, is improved but has no tarmac. The road between Nchinga village and Newala district headquarters in Mtwara (19km) has improved. However, the road from Kalesa village to Nkasi district headquarters in Rukwa (58km) is still very problematic.

There was good news for traders too: in 2005, annual licence fees were removed, to be replaced by permanent business licences. Now, only those with an annual turnover of TSh 20 million or more pay for a licence yearly, at a rate of 10 percent of turnover. However, all must pay income tax annually. One key informant interviewee – a successful businessman – praised the reform by saying, 'this reform is very likely to help most of us perform better in non-farm activities and reduce poverty more effectively' (Steward, Wazabanga, Mwanza). This finding, like the previous one, is linked to Hyden and Court's obstacles to business element of good governance.

Land is the most important factor in agricultural production, which is the main economic activity of most community members. In terms of positive findings in this regard, in Kalesa, Rukwa, the ward agricultural and livestock development officer reported how he had participated in resolving a conflict over land between Sukuma pastoralists and Fipa sedentary farmers:

'In 1995, the conflict over land between the Sukuma and Fipa was escalating. I reported it to the District Agricultural and Livestock Development Office and was instructed to summon representatives of both parties (pastoralists and crop producers) to discuss the conflict. Officials from the district came, and we discussed the problem and agreed that anyone who owned more than 50 cattle and did not want to reduce the number to at most 50 should relocate to another place. Therefore, many Sukuma people left the area with their cattle. In 1995, there were about 16,000 cattle, while the carrying capacity of the ward was estimated to be 5,000 cattle.'

Key informant, Kalesa, Rukwa

The ward officer estimated that, at the time of research in September 2009, there were only about 3,000 cattle in the ward. He was optimistic that such a conflict would not recur; if it did, it would be resolved using similar methods and experiences gained in solving the previous one. He estimated that the ward had 3,200 ha of land suitable for rice production and that, out of this, natives owned about 40 percent and Ha, Sukuma and those of DRC origin owned about 30, 20 and 10 percent, respectively.

Land conflicts had been resolved at village and ward levels too. For example, in 2005, the uncle of James Mwamwezi (19 years old) of Kalesa, Rukwa migrated to a distant place, leaving behind a farm. Someone took the land as if it had been his by right. James went to Mwandima Ward Office (Kalesa) to claim the land, despite the second man's threats. Eventually, in 2008, he received his land. He produced rice on it in 2008/09 and harvested 20 bags in 2009, which he sold to make the money to establish a kiosk business. Land conflict results are linked to Grindle's conflict resolution institutions item of good governance, whereby amicable conflict resolution is desirable for poverty reduction.

In some communities, savings and credit cooperative societies (SACCOs) provide services to poor community members. For example, the manager of one SACCO in the Nkasi district of Rukwa, said that its clients praised it because, previously, moneylenders lent at interest rates of 100 to 200 percent of the amount borrowed. During the research, interest rates at the SACCO were 21.6 percent per year for a salary loan; 25.2 percent per year for agricultural, trade and house construction loans; and 60 percent per year for emergency loans. However, a focus group in one village in Rukwa revealed that, although some farmers had obtained credit, some people were sceptical about applying for fear that their farms might be confiscated if they failed to repay the loan in a timely manner.

All six communities where the research was conducted have SACCOs, rotating savings and credit associations (ROSCAs) and associations for helping one another with difficult manual activities. Such associations help people improve their welfare. Wilium Semiono, Chairman of Mwandima SACCO in Kalesa, Rukwa estimated that 10 to 20 percent of women in the ward were members of a ROSCA. The presence of such associations is linked to the microcredit/savings item of good governance, as put forward by Grindle.

Collaborative farm work, called *luganda* in the Kisukuma language, is a notable kind of peaceful association (Box 1). Such associations exist as a result of good governance in central and local governments, and are helping people exit poverty.

Box 1: *Luganda* in Magu, Mwanza and its potential with regard to poverty mobility

Luganda is collaborative farm work whereby people who have formed an association for the purpose work on the farm of one of the members and then move to another one's farm until all the members are covered by the rotation. Members are chosen based on the neighbourhood or age cohort and do the following activities: primary tillage, planting, weeding, harvesting, brick making, etc. The group may have 10 to 30 members. Discussants in Wazabanga village estimated that about 600 households out of 987 were members of *luganda*.

Luganda is said to have the following advantages: finishing in one day uphill tasks that one household would finish in a month; helping small households cultivate a large farm at once; farming for money to meet the immediate cash needs of one *luganda* member or all of them; helping a member with a large area to get it weeded at once; perpetuating social capital; increasing the food security of a household that was previously food-insecure; and achieving the fast work of a tractor but using hand hoes. Such associations were also reported in the other districts where the research was conducted, although they were not as prominent there as in Magu district of the Mwanza region.

Primary cooperative societies through which cash crops – cotton in Mwanza region and cashew nuts in Mtwara region – are sold are also peaceful associations. This applied less to the region of Rukwa, where there are no cash crops and community members use the warehouse system for maize and rice selling. In general, people are happy with being members of primary cooperative societies, since their crop products are measured using well-calibrated weighing scales, leaving few cases of buyers cheating farmers in terms of measurement. Moreover, selling crop products through cooperative societies ensures one well-known price throughout the crop-buying season, unlike selling outside a primary cooperative society, whereby the prices of the same crop product varies greatly during the same buying season.

In some communities, there is good implementation of community development projects. Four classrooms and two water wells were constructed in Kayumbe village, Rukwa. The Ward Community Development Officer praised the villagers for their good and timely implementation of the two projects, as well as the village implementation committee, whose chairperson was a woman. The villagers participated in the projects by providing labour and locally available materials, including stones and sand. For the water project, implementation was carried out under the guidance of the district water engineer. These examples are linked to proper use of public resources, whereby funds from the Tanzania Social Action Fund (TASAF) and from the Water Department were used properly.

In some workplaces, employers facilitate their employees' access to credit, and the credit enables them to improve their well-being. For example, in a life history interview, a nurse in Wazabanga village, Mwanza, praised her employer, the District Executive Officer, for endorsing her loan application to the National Microfinance Bank. She borrowed TSh 900,000 and used it to start building a house for her family. This is linked to the microcredit/savings element of good governance put forward by Grindle.

4.1.2 Governance issues constraining income generation

Although agriculture is the main economic activity, agricultural extension services are so inadequate that some farmers do not even know whether the services exist. For example, in a life history interview, a farmer in Nkangala, Mtwara did not know of agricultural extension services provided by the government. This limited awareness among farmers of agricultural extension services is caused mainly by an extreme shortage of agricultural extension workers. In the 1970s, Tanzania aimed to have one officer for every village but, following structural adjustment in the mid-1980s, some agricultural extension workers were retrenched from the civil service. This was followed by a reduction in the number of extension workers trained, which led to the extreme shortage today. The Ward Agricultural and Livestock Extension Officers in the three districts where the research was conducted underlined the shortage. One of them in Newala district said:

'I am the only agricultural officer for all the seven villages of the ward. I was posted here two years ago. I have neither a motorcycle nor a bicycle to visit farmers, and I am about to leave for a diploma programme of study. If the government does not train many agricultural officers and facilitate their living and working in villages advising farmers, the Agriculture First Strategy which has just been launched will not succeed.'

Key informant, Nchinga, Mtwara

This shows that, on top of the shortage of agricultural officers, the few available have poor working facilities. A focus group discussion in a village in Rukwa region, revealed that agricultural extension officers were not reaching farmers, and that the government programme, started in the early 1990s, to train agricultural assistants in livestock and livestock assistants in crop production so they could all fulfil both assignments aggravated the shortage of extension officers dealing with crops, since all then became livestock officers because this generates more money.

In the Nkasi district of Rukwa, Christoph Kipoya, a Ward Agricultural and Livestock Extension Officer said that the shortage of agricultural extension officers and the low response of farmers to agricultural messages were among the main factors constraining agriculture. With regard to the former problem, he said that the whole ward had only two agricultural officers instead of every village having one. With regard to the latter problem, he blamed the people of the ward for being sceptical about participating fully in the warehouse system. The warehouse system is linked to the cooperatives and farmers' associations governance item described in MKUKUTA I.

In Wazabanga, James Cleopa, a Ward Agricultural and Livestock Extension Officer, complained that some politicians had chameleonic behaviour, supporting agricultural plans and interfering with the implementation of rules governing agriculture:

'Our agricultural rules stipulate that cotton should never be intercropped with any other crop. However, in many cases farmers violate the rule. For example, in 1995 I caught farmers who had mixed cotton with maize and cassava. At that time, I was charged with supervising two villages, and I had been there before in the same agricultural season mobilising farmers against mixing cotton with other crops on farm. I arraigned them at a primary court for violation of the agricultural rules. Instead of the farmers paying the prescribed fine, they sent their leaders to complain to the district commissioner that voters of the opposition United Democratic Party would be arraigned lest they changed their vote in the imminent national elections. But the truth of the matter was that both ruling and opposition party members had been arraigned. The decision was that they be released lest the elections were spoilt.'

James, Wazabanga, Mwanza

Poor facilitation of farmers to use fertilisers is another governance-related issue constraining poverty reduction through agriculture. Mr. Kipoya, Agricultural and Livestock Extension Officer of Kalesa, Rukwa, reported that he knew of only three people all over the ward who

were using fertilisers, even though he had introduced the use of fertilisers in maize production in 2006. As a result, the maize yield was low: 5 bags per acre in lieu of the potential yield of 30 bags per acre. He attributed the low use of fertilisers to poor levels of well-being of farmers and lack of credit facilities from Mwandima SACCOs or elsewhere.

Poor control over prices of cash crop products, especially cashew nuts and cotton, was also found to be constraining poverty alleviation. FGDs in a village in Newala district, Mtwara said:

‘With private buyers the price of 1kg of cashew nuts was not known; it varied between TSh 200 and TSh 500 between 1985 and 1995. Even during one selling season, the price was low at the beginning (e.g. TSh 300), then it would go up, say to TSh 790, then towards Christmas it would decline again, say to TSh 400, since private buyers were leaving for the holidays before finishing buying the cashew nuts that were in the village.’

Focus group, Mtwara

If leaders in the Cashew Nut Board had abode by Hyden and Court’s accountability of appointed and elected officials element of good governance, this might not have happened.

Low prices of cash crop products and payment for crop products by cooperatives to farmers in instalments also constrain community members’ poverty alleviation. For example, the Nchinga village FGD revealed that,

‘The price per kg of cashew nuts is too low in comparison with the costs of producing them; the price should be TSh 1,500 per kilo. Yet, when we sell cashew nuts through the primary cooperative society, we are given 70 percent of the money, i.e. TSh 490 per kg. The other TSh 210 on every kilo of cashew nuts is paid after two to three months.’

Focus group, Nchinga, Mtwara

At a village FGD in Mwanza region, some discussants said: ‘we are selling cashew nuts on credit unwillingly. We would not do so if the leaders were not oppressing us.’ This finding implies lack of effective markets, which is a governance element, according to Grindle.

Deducting cash from farmers’ sales of agricultural products without informing them in advance and without good explanation is another governance issue. Village FGD respondents in Nkangala said:

‘From the TSh 210, they deducted TSh 50 for inputs (sulphur) to be supplied during the next season. They also deducted TSh 20 for roads, TSh 20 for water and TSh 10 for education. They paid us TSh 110 instead of TSh 210. When we complained about so many deductions without having informed us in advance, they told us: “Just go on complaining.”’

Focus group, Nkangala, Mtwara

This finding implies lack of transparency on the part of district leaders. This governance element is talked about extensively in Hyden and Court, Grindle and MKUKUTA I.

Agricultural inputs paid for using cash deducted from cashew nuts sold through the primary cooperative society in the Newala district of Mtwara the previous season had arrived late. Village focus group respondents said:

'What angers us is that the money deducted for sulphur to spray the cashew nut trees is not used properly. We need to spray our cashew nut trees five to seven times from May to August, but the sulphur from the government is not brought to us until August after the cashew nut trees have already been affected by fungal diseases.'

Focus group, Nkangala, Mtwara

This governance issue is related to sound institutions for local and national representation. Had the farmers been better represented in the procurement of the inputs, the inputs might have been supplied to them in a timelier manner.

Poor access to justice by women and poorer community members is another governance problem constraining poverty alleviation. Divorce results in women losing most of the wealth items they own and have control over. As women are not allowed to inherit land (unless they get it through daughters if they have no sons), after separation they have no land, house or extra income; yet they have full responsibility for child maintenance. Abdul Idrisa, Acting Executive Officer of Chikota ward confirmed this:

'If a man divorces his wife, more of the wealth is taken by the man. If the woman believes she has been given too little or nothing, she normally gives in.'

He detailed a case of a man divorcing his wife in 2008, giving her a divorce letter and ordering her to leave the house without anything except a few of her clothes. The injustice was very clear to everyone in the community. Neighbours advised the woman to take legal measures to claim a share of the wealth she had generated with her husband. Instead of heeding the advice, she said, 'I leave it to God to punish the man'. This finding is similar to the lamentation of a poverty-stricken citizen of Armenia (Narayan, 2000, in Grindle, 2002): 'People now place their hope in God, since the government is no longer involved in such matters.' In Chikota ward, customary and Islamic laws have the upper hand on civil laws.

Another shortfall in law enforcement was reported in Mwanza region. A 15-year-old boy found guilty of stealing TSh 500,000 from a shop was imprisoned for only two days and did not return the money. They strongly believed village leaders handling the case shared the money with the boy. This case comes under the legal and regulatory framework, fair justice systems, human rights, access to justice and anti-discrimination legislation elements of governance in Hyden and Court, Grindle and MKUKUTA I.

Poor dissemination of information on national- and local-level development programmes and projects is another governance problem. Some projects and programmes, to be implemented

by community members and individual households, are not known to the potential implementers. Some people did not even know about MKUKUTA I.

With respect to land, there were more cases of bad than good governance. For example, James Mwamwezi's father ran away from his mother in 1993. Following the separation, someone took the farm on which his father used to produce rice and claimed it was his. James asked the village office over and over to help him recover the farm, but he received no assistance from them until 2008, by which time he was despairing of getting the land. Access to this land would have helped him exit poverty through rice production. Also, Andrew Mahai of Kalesa village, Rukwa said in a life history interview, 'if you don't have money you can't get your rights'. He himself had lost part of his farmland to his neighbour, with officials not bothering to follow up on the case despite several reminders.

In some cases, opportunities for generating income through trade across borders were taken away by lack of facilitation by upper levels of governance. In Nchinga village, Mtwara facilities are not available to promote cross-border trade. The ward's acting executive officer in a key informant interview said:

'In brief, trade between Chikota ward and Mozambique is poor because there is no reliable way to cross; we normally cross using local canoes which are operated manually since they don't have engines. Goods to trade are few, and the TRA is not there to streamline trade between Chikota and Mozambique.'

Newala farmers association, Nchinga, Mtwara

The little trade that goes on involves the following goods from Tanzania to Mozambique: second-hand clothes, mattresses, sardines and cashew apples, called *kochoka*, which are used to make local spirits. From Mozambique to Tanzania, the following are traded: iron sheets for roofing houses, petroleum, gin and sugar. However, only an estimated 10 percent of traders in Newala, Mtwara are involved in cross-border trade. It was also emphasised that those involved in trade are those at district headquarters who know the way and 'how to talk with the police and TRA officials'. This implies bribery.

Although Mwandima ward of Rukwa region has facilities for cross-border trade, Makazi ward in the same region has problems. Focus group respondents in one village complained that the government was preventing exports of maize across the border to Zambia. The only market for maize is thus the government, which buys 80 to 90 percent of all the maize they produce. No traders from Dar es Salaam go there because it is very far. Respondents added that businessmen buy directly from farms for around TSh 13,000 per bag of about 100kg and then sell to the government at around TSh 20,000. The government wants all the maize delivered directly to strategic grain reserve stores; transportation from the farm gate to government stores costs TSh 2,000 per bag of maize. Farmers could join up and rent trucks to transport maize to Dar es Salaam markets, but at harvest time they have no money, so they just sell to middlemen. Some villagers complained, 'if the government does not give us

inputs, why does it prohibit us from selling maize across the border?’ This finding is related to the international economic considerations item of good governance in Hyden and Court.

‘Artificial’ scarcity of land for production of more valuable crops is another governance issue constraining poverty reduction. In Kalesa, Rukwa, some community members are creating land scarcity by hoarding land for rice production. As a result, renting 1 acre of land for rice production is TSh 100,000 per agricultural season – a very large amount of money. One key informant, Josephat Mpama, said: ‘it is high time land for rice production was reformed so most people have equitable access to it. If land ownership and access are not reformed, the future is likely to see bloodshed owing to wrangles over it.’ However, Mwandima ward’s Agricultural and Livestock Extension Officer Christoph Kipoya was of the opinion that, although newcomers owned about 60 percent of the land, natives could not complain because the former had obtained it through legal means that prevailed when they obtained it. Mr. Kipoya also attributed the fact that natives owned less land for rice production to their preference for fishing rather than crop production.

Another bad governance element is the uncompensated demolition of buildings in unplanned areas of towns. John Doglass (41 years old) from Ndite, Mwanza lost his kiosk and the shoes he was selling in such a demolition. The incident completely grounded him, leaving him no option but to start working as a casual labourer. The problem of demolition of houses is linked to the land use planning element of governance put forward by Grindle.

A few people in the research communities are retired civil servants. Life history interviewee Fortunate Mayala (73 years old), of Wazabanga village, Mwanza, complained the pension benefit was too small and paid too infrequently (every six months).

The logistics involved in supplying fertilisers and seeds represent another governance problem constraining mobility out of poverty. Eight focus group discussants in a village in Rukwa said:

‘The delay in receiving fertiliser is a big problem. Fertilisers arrive late when crops have already been planted. Even if you have the money to purchase fertiliser, it arrives too late to be useful. In 1986-1997, when Sasakawa Global 2000 was operating in this area, everyone received fertilisers on time (through loans) and agricultural education was provided. There were really good harvests. The problem was there was no market in which to sell the produce, and therefore many people could not repay the fertiliser loan.’

Elsewhere, fake seeds were supplied. For example, in one village of Mwanza region, farmers received fake cotton seeds from private buyers of cotton – unlike Nyanza Cooperative Union, which always gave them good seeds. Some private traders supplied farmers with expired agrochemicals which were not effective against cotton pests and diseases. This is related to enforcement of contracts and penalties for dishonesty and fraud of good governance put forward by Grindle.

Inadequate supervision of the agricultural sector is characterised by use of poor technology and low productivity. Focus group discussants in a village in Rukwa said:

'You can grow maize on 10 acres and harvest only 10 bags of maize instead of 300. Farmers need seminars on good planting techniques as part of agricultural education. Farmers are farming, but they are not doing it wisely.'

Focus group, Kalesa, Rukwa

There are eight small hand-operated tractors in the ward where this village is located, supplied through an initiative of the Prime Minister. The problem is that they do not work on the dry land of the ward. The discussants criticised this initiative, saying:

'It would be much better to use cattle for farming because they can be controlled. The hand-operated tractors need a lot of manpower; hence using them is very tiring. Some are privately owned; others have been given to particular groups.'

Focus group, Kalesa, Rukwa

It costs around TSh 18,000 to 20,000 to hire a power tiller for 1 acre. This finding is related to the appropriate technology aspect of good governance put forward by Grindle.

There were also biases in the way tractors are lent to people. In a village focus group discussion in Mwanza, respondents reported that tractors taken to the district in 2009 to lend to farmers under the Agriculture First Strategy were lent to people who were not farmers. The ward councillor (in the focus group) explained as follows:

'Some people paid bribes in order to get tractors, even though they were not farmers, so that they could hire them out to get money. Tractors were lent to people who had land title deeds in town; one person got three tractors by writing his true name in one case, a fake name in a second case and his wife's name as a person from a different family in a third.'

Focus group, Ndite, Mwanza

This issue of lack of transparency in the distribution of tractors applies to some other resources. For example, life history interviewee Abdulrahman Mnyachi, of Nchinga, Mtwara, complained that presidential funds for entrepreneurship were disbursed on grounds that were not transparent. After Jakaya Kikwete became President in 2005, he disbursed money to every district to lend to small entrepreneurs. However, nobody in Nchinga village received a loan and intended beneficiaries were sidelined. There were similar complaints in Kayumbe village in Rukwa.

Cases of elected leaders not being accountable to the people who elected them were noted from the village to the district level with regard to income generation and social services. Box 3 presents an extreme case of lack of accountability on the part of elected leaders.

Box 3: Lack of accountability among elected leaders

Abdulrahman Mnyachi, a member of the CCM ruling party and the local Branch Secretary, told of the local Member of Parliament (also a CCM member) who was failing them with respect to bringing about development for poverty alleviation in the district. He said: 'the Honourable MP seems to have forgotten the people of this constituency, while it is they who elected him. Since he was elected in 2005, he visited the area only in September 2009, which suggests he was here to ask for votes in the 2010 elections.' During his visit, people complained to him about water shortage, high water prices, fluctuating sulphur prices and the system of selling cashew nuts through the warehouse system, which farmers found disadvantageous. He didn't seem to care about people's complaints, and just bragged that he was the Minister for Sports hence didn't have the mandate to address the problems facing them. To them, this was arrogance; their expectation was that, since he was in the government hierarchy, he was in a good position to channel their complaints to the responsible organs.

Abdulrahman, Nchinga, Mtwara

Had the words in Box 3 been said by someone in the CUF – the main opposition political party in the area – one might have thought they were generated by party differences. However, they were not, and it therefore seems likely that the MP was not accountable to the people. Such allegations did not come out so strongly anywhere else.

Unfair measurement of crop products is another element. Those who buy crop products steal from farmers by using unfair measuring tools and containers. For example, a tin container that weighs 20kg when full of maize or husked rice is enlarged or compressed depending on who is to be favoured (the buyer or the seller). In Magu district this is mitigated by having an auction for various goods once per week to help buyers and sellers receive market prices that are as fair as possible. Nevertheless, weighing scales are used universally in Mwanza, with some cotton-buying agents distorting the scales to claim 95kg of cotton when there is actually 105kg.

Poor implementation of good plans is another governance problem. Octavian Sapi (49 years old) of Rukwa, complained as follows:

'Planning is easier than implementation; in July 2009, our regional commissioner came to our ward and explained to us that, through Agriculture First, agricultural extension officers, agricultural inputs and farm implements would be increased. However, I am sceptical about implementation because we have had a similar agricultural plan called MAKIRU (Green Revolution in Rukwa) which has been here for about 18 months but is still not well-known among the villagers. If Agriculture First is going to be implemented as business as usual, nothing will happen with it.'

Octavian, Kalesa, Rukwa

Unpopularity of development programmes and projects was also cited. Focus group discussants in one village of Rukwa region talked about MAKIRU and Agriculture First:

'MAKIRU and Agriculture First are good as they can help us increase agricultural production hence reducing poverty. However, three years to implement MAKIRU is too

short. Moreover, we don't know about the preparations for its implementation, particularly how the shortage of land for rice production is going to be solved. If the land problem is not solved, it is going to limit poverty reduction through agriculture since rice is the most profitable crop in our area.'

Focus group, Mwanza

In some communities, usury is constraining movement out of poverty. James Cleopa, Agricultural and Livestock Extension Officer of Wazabanga, Mwanza clarified this:

'Some rich people make the poor poorer through usurious lending to them; they lend money to them at usurious conditions, especially when they need to buy agricultural inputs. Some of them lend TSh 10,000 and ask to be repaid TSh 20,000 or TSh 30,000. Others lend TSh 10,000 and ask to be paid a bag of rice, while the value of such a bag is TSh 40,000.'

James, Wazabanga, Mwanza

This finding is linked to the microcredit/savings governance element of good governance put forward by Grindle.

In his life history interview, Abdulrahman of Nchinga, Mtwara said that one of the big community-wide problems constraining movement out of poverty was theft of cashew nuts while they were still on the farm. Thieves from the same community were invading farms at night or early in the morning and collecting all the cashew nuts, but community leaders had not taken any measures to solve the problem. People were now spending nights guarding their farms and sleeping during the day instead of participating in economic activities. Moreover, households were being deprived of long-awaited cashew nut harvests, which would give them income. The Acting Ward Executive Officer was asked to give his views on how to end the theft. He said:

'The theft is a big problem; for example, from one farm they can steal up to 30kg of cashew nuts, which is a lot. If we arraign them in the court of law, they are jailed for only two to three months. If the punishment was bigger than that, I think most thieves would stop the theft.'

James, Nchinga, Mtwara

This problem comes under the fair justice systems element of governance described in Hyden and Court and MKUKUTA I.

In a life history interview with Hawa from Nchinga, Mtwara, it was found that wages for casual labour were so low that most people were discouraged from looking for such opportunities. Some employers caused problems paying even these low wages: 'payment to labourers is not done because they don't have legally recognised contracts'. This is related to the enforcement of contracts element of good governance advocated by Grindle.

Shortage of rural financial institutions is also a governance problem, since only a few people can access microfinance services. For example, there is only one microfinance facility in Wazabanga, Mwanza and one in Kalesa, Rukwa. Little knowledge of the way financial facilities work leads some people to complain when they fail to meet minimum conditions for getting credit. Most people do not know of or acknowledge their obligations and rights under a credit scheme; they do not have a history of saving and buying shares and just want to borrow. Whenever their loan applications are rejected as a result of lack of qualifications, they complain that they are discriminated against.

Unlike in Wazabanga village, where villagers are benefiting from a ward SACCO, Kayumbe village in Rukwa, has had a bad experience. The National Microfinance Bank (the only banker involved in Makazi's SACCO) had stopped providing loans to the SACCO because its leaders have misused its funds. The SACCO is allowed to operate a bank account but very few farmers have bank accounts. Therefore, members are no longer getting credit from the SACCO.

In some communities, freedom of expression is inadequate, for example in one case in Wazabanga village (Box 4). This case shows lack of or low transparency in the collection and use of cash contributions from community members. Where such problems occur, the chances of people moving out of poverty are slim. The contents of Box 4 are in line with the freedom of expression and voice for the poor elements of governance put forward by Hyden and Court and Grindle.

Box 4: Undemocratic response to citizens asking democratic questions

In 2009, an MP had a meeting with Wazabanga villagers in Mwanza. In the meeting, the life history interviewee asked village and ward leaders to clarify why people who had paid TSh 10,000 as a contribution to the construction of Wazabanga Primary School had been given receipts showing TSh 5,000. Instead of answering the question, the ward councillor said furiously, 'the one who has asked a trouble-making question does not even have a home here, yet he is talking nonsense.'

4.2 Findings with respect to education

Education is one of the non-monetary indicators used widely to measure poverty and well-being. It has many multiplier effects on poverty reduction because a person with more formal education is able to work more effectively and efficiently using knowledge and skills gained during schooling and is more capable of gaining more knowledge and skills than one who has less or no formal education. For example, according to the World Bank (1993), four years of primary education can boost farmers' annual productivity by 9 percent. Because education is so important, it has been included in the MDGs, particularly Goals 3 and 4 ('Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling' and 'Eliminate gender disparity in primary and secondary education preferably by 2005 and to all levels of education no later than 2015'). Below, we review the governance factors found to be enhancing and constraining education.

4.2.1 Governance issues enhancing education

The government has expanded schooling opportunities at the primary and secondary education levels through the nationwide Primary Education Development Programme (PEDP) and Secondary Education Development Programme (SEDP), which started in 2001 and 2004, respectively. James Cleopa, a key informant in Wazabanga village, Mwanza, praised the government for having increased schooling opportunities through PEDP and SEDP, charging only TSh 20,000 per secondary school day student per year. However, he said that the materials needed to get a student enrolled in a public secondary school were at least TSh 127,000, in addition to the TSh 20,000 'school fees'. This finding comes under the girls' education element of governance advocated by Grindle in the sense that PEDP and SEDP have increased opportunities for girls' schooling.

At some schools, there is transparency in the expenditure of school money. For example, respondents in a village focus group discussion in Rukwa region told of a notice board showing expenditures, although most people were not interested in reading it. Whether or not community members read the information on the notice board, the leaders had fulfilled the accountability downwards item of good governance put forward by Grindle. The discussants added that parents also participated actively in school meetings. This finding is also related to the participation element of good governance. More parents participating in school activities can enhance development of the system thereby improving education in the community.

In Rukwa and Mwanza girls getting pregnant while pursuing primary education were being allowed to resume studies after delivery. One teacher in a village of Mwanza described this move as being a personal decision on the part of some teachers – that is, it is not yet legally permitted. Nevertheless, it is a positive step: for example, Hilari Ndasi's daughter passed her primary school examinations after delivering a child and was allowed into Kalage Secondary School in 2010.

4.2.2 Governance issues constraining education

Although school fees in a day government secondary school are only TSh 20,000 per student per year, some parents are too poor to pay, especially because of the other costs mentioned above. The government has stipulated that students whose parents are very poor should be exempted from paying, but some children from such households are not assisted in accessing this opportunity. This happened with James Mwamwezi of Kalesa village, Rukwa Region, who completed primary education in 2008 and was selected to enter Mwandima Secondary School, but his mother, who was divorced, was unable to find the TSh 20,000 to pay. Filbert Senga of the same village completed primary school in 2006 at 22 years old, having started at the age of 16 years, after primary school fees were abolished. He was selected to enter Kipili Secondary School in 2007 but could not for the same reasons as those James Mwamwezi experienced.

Joseph Masanja, teacher at Kalage Primary School in Mwanza region, elaborated on violations of the policy to exempt children from very poor households from secondary school fees:

'It starts with village development council members, who claim for allowances to sit in meetings where the names of children to be exempted from the contributions are discussed. Therefore, the Village Chair, Village Executive Officer and school chair approach certain parents who are better-off and ask them for bribes so they can get the cash to pay the sitting allowance. Therefore, the parents who have paid the bribes have their children exempted from paying the school fees. This happened in 2009 when four children were exempted from paying school fees despite their parents not being poor.'

Joseph, Wazabanga, Mwanza

Joseph Masanja added that poor parents/guardians whose children are sidelined do not complain because they do not know what to say to the authorities about such corruption.

Biased implementation of some rules and policies is another bad governance element constraining poverty reduction through education. For example, unlike in Mwanza and Rukwa, girls in the Mtwara region are not being allowed to resume studies after delivering a child, although some education leaders regretted this. For example, Burhan Rajabu, Education Coordinator of Nchinga, Mtwara said:

'Policymakers are reluctant to pass a bill stating that pregnant girls are allowed to resume their studies after delivery because they are afraid it will lead to an increase in pregnancies among school girls. However, in my view, the fear is unfounded. It is high time the bill was passed to become law because some girls are engaged in sexual intercourse only once even unwillingly or through rape and become pregnant. If such girls were allowed to resume studies after delivery some of them would perform well academically and continue with higher education. The current fear is marginalising potential pupils by denying them chances to continue with secondary education up to higher education.'

Burhan, Nchinga, Mtwara

This and the previous two cases are related to the non-distortionary policy element of good governance put forward by Grindle.

Poor governance delayed construction of classrooms in Wazabanga, Mwanza. Village focus group respondents suspected that their contributions of TSh 5,000 and TSh 10,000 per household had been squandered (see Box 4). Former head teacher Joseph Masanja said he had resigned his school headship because people wanted to involve him in corruption. When asked about the TSh 5,000 and 10,000 contributions, he said,

'Definitely the leaders squandered the money. It appears the district commissioner had already reprimanded them without the villagers knowing. That is why when they were asked about the issue during a meeting with the MP the ward councillor silenced the

questioner; it was a secret which the leaders did not want to leak to the villagers and to other leaders like the MP.'

Joseph, Wazabanga, Mwanza

This relates to the transparency element of good governance, advocated by many scholars.

Joseph Masanja also revealed high-level corruption in the construction of classrooms under PEDP and SEDP (Box 5).

Box 5: Extremely bad governance in education

According to Joseph Masanja, 'the process to construct classrooms, teachers' houses, toilets, laboratories and other school buildings is that the teachers identify what needs to be built and send this list to the school committee. The committee confirms the needs and writes a summary of items to be purchased and activities to be done. Unhappily, before the ward education officer or district education officer signs, he/she asks the school committee members to give him/her 'something'. If they give him/her nothing, he/she does not sign to approve their purchasing requests; hence their intent to purchase materials for school construction is frustrated. After signing, they decide where to get the money for the bribe, normally selling construction materials. This results in substandard construction, since they use fewer materials than recommended (e.g. the ratio of cement to sand). An education officer may approve TSh 18 million and tell the head teacher that TSh 12 million of the money is his and that the head teacher will know what to do with the remaining TSh million.'

Bribery was also reported in posting and retaining primary school teachers. Joseph Masanja said: 'New teachers are allocated to schools whose head teachers bribe the District Education Officer. New teachers are also supposed to stay at their new stations of work for at least three years before they can be allowed to ask for a transfer, but it is common to see some teachers, especially ladies in rural remote schools, teaching at a new school for one month and leaving for another school in town. Some of the money used to bribe education officers is obtained from monthly contributions by pupils to pay voluntary teachers'. Given the acute shortage of teachers, community leaders in collaboration with head teachers have been given the mandate to employ people who have secondary education but no professional qualifications. Therefore, TSh 300 is charged per pupil per month to pay 'voluntary teachers' but is also used to bribe Ward and District Education Officers to allocate new teachers to schools and retain new ones to ensure they teach there for a long time.

Joseph, Wazabanga, Mwanza

Conflict between political parties constrained the construction of a secondary school in one village of the Rukwa region. SEDP's main objective is to have at least one secondary school constructed in every ward. Elsewhere in Tanzania, such schools started operating in 2005. However, in Kalesa village, this did not occur until 2009. The delay was caused by antagonism between members of the ruling CCM and those of the opposition CHADEMA, to which most people in Kalesa adhere. People associated SEDP with the CCM hence boycotted when they were told to contribute in kind or in cash to the construction of the school. This meant the pace of construction of the school was sluggish. This result comes under the tolerance element of governance in MKUKUTA I.

4.3 Findings with respect to health services

4.3.1 *Governance issues enhancing health service provision*

In some communities, health facilities were working well. For example, in Kalesa village, Rukwa, Selina Ngungulo (a woman aged 39 years) reported in a key informant interview that at Mwandima area Health Centre there were always medicines, especially against malaria. The health centre is five minutes away on foot from Selina's home.

4.3.2 *Governance issues constraining health service provision*

Elsewhere, bad stories were given about health services. For example, in Kayumbe village, Rukwa, Didas Magangu said that community members contribute TSh 10,000 per household per year and become members of a community health fund (CHF). With this contribution, eight members of the household are eligible for free health care for one year. However, very few households have joined the fund, mainly because medicines are not there in most cases. Those who are not CHF members can pay at the service delivery point. The cost is TSh 1,000 per head at a dispensary and TSh 2,000 per head at a health centre, for consultation and medication, but sometimes people are asked to buy drugs from private pharmacies because of the shortage of medicines. Women and children under five years are exempted from paying for health services, although in reality they do pay since most of the time drugs are not available; they get only consultation and prescription free.

Corruption was also reported in the health sector. For example, in 1999, a water tank was being constructed at Wazabanga Health Centre in Mwanza, but the cement used to construct it was being sold to the ward councillor and other village leaders. As a result, the cover of the tank was made with too little cement, so it was weak and broke, and too little cement was used to build the tank itself, which then leaked. So the tank has never held water since 1999, when it was built. This is related to the anti-corruption element of good governance, which is a concern of MKUKUTA I and Grindle.

Understaffing at dispensaries was reported in some places. A rural dispensary is supposed to have five workers, but there were only two at one dispensary in Nchinga village, Mtwara. This was reported by Burhan Rajabu, Education Coordinator of Chikota ward, Nchinga. This is related to the health services item of good governance advocated by Grindle.

Citizens aged 60 years and above are supposed to get medical treatment free of charge. However, this hardly happens, as explained by life history interviewee Jasmine Nandonde (63 years old) of Nchinga:

'We are told that the elderly like me get free medical treatment, but in our village that is not the case; even the CHF does not work. In April 2009, I was suffering blood pressure problems; I spent my TSh 15,000 for treatment in the district hospital and that money will not be refunded.'

Jasmine, Nchinga, Mtwara

In Mwanza region, another such case was found. Edson Mndevu (69 years old) from Ndite village, revealed that he was suffering from diabetes but was not receiving any free medicines. However, he was lucky because he was being sent remittances by his children who were working for a mining company, and he was using this money to get treated. This is related to the non-distortionary policy item of good governance given by Grindle.

4.4 Findings with respect to water services

MDG 7 is to halve, by 2015, the proportion of people without sustainable access to safe drinking water. In Tanzania, one indicator of well-being with respect to water is the proportion of households with access to an adequate amount of safe drinking water within 400 metres. Since this study was not quantitative, the proportion of households below the poverty line was not determined. Instead, we looked into bad and good governance issues affecting supply of water for domestic use. Unfortunately, in all the six communities, there were no good stories about linkages between governance and water supply.

Unrealistic and unaffordable solutions were suggested to community members to solve the problem of shortage of water for domestic use. Mr. Rashidi of Nkangala village, Mtwara, said:

'The government has been campaigning and lobbying for rainwater harvesting for decades; this can never be a solution to such a serious issue in our area. After all, who can afford the cost; one needs to have not less than TSh 2 million to have a well just outside one's house, then there is the whole issue of treating the water. This is a complicated process which even those with money won't be able to afford. We need to address the real issue here. Just walk around the village, you will see the wells outside the houses and some of them have become traps into which people fall at night because they are not covered.'

Shaban, Nkangala, Mtwara

This suggests that plans to solve the problem of water shortage were not participatory. This is therefore linked to the governance elements of freedom of expression and opportunity for consultation put forward by Hyden and Court.

Mtwara region has very high scarcity of water supply for domestic use. Abdul Idrisa, Acting Executive Officer of Chikota ward, Nchinga village, reported that bribery in supplying water was affecting other people's access to water. He added, 'every time we ask them to supply us with water, they tell us, "it's coming"'. Focus group discussants in Nchinga village elaborated the whole issue, as summarised in Box 6.

Box 6: Critical shortage of water in Nchinga village, Mtwara

According to focus group discussants, 'the tap water supply in this village was adequate from 1957 to 1985, but in the late 1980s it started declining. For the past six years, water availability has become so scarce it is fetched mainly by men from 7km away in Makota. But the problem of water is compounded by workers of the Water Department: there are water pipes in this village taking water from Makonde Water Supply Centre to Mihambwe. Members of the Water Department distribute water to better-off people who have good water wells. As for common people, like those in our village, they supply water when national leaders are coming or when the Uhuru Torch is about to pass through our village. This problem is constraining our efforts to reduce poverty since we spend a lot of time fetching water.'

Shortage of water supply for domestic use is also a problem in Rukwa, but here this is attributed to lack of accountability of village leaders. According to Novath Nanzalalila of Kalesa:

'The leaders of this village are not responsible, and this is contributing to ineffectiveness in poverty alleviation. Tap water was introduced in 1977, and during the handover of the project district-level officials insisted that the villagers be responsible for maintenance of the taps through their contributions. However, owing to poor follow-up by village leaders, tap water is no longer available, since maintenance of the taps has not been done. In the early 1990s, wells using pumps were established but only a few of them are working; others have become dysfunctional owing to poor maintenance.'

Novath, Kalesa, Rukwa

This is related to the safe water and investment in basic social services and infrastructure elements of good governance explained by Grindle.

4.5 Findings with respect to some grassroots-level factors

Besides the above governance issues that were found affecting poverty mobility, we also found some grassroots-level factors which are linked to movement into and out of poverty, in the ways we describe below.

4.5.1 *Despair and the supernatural*

Some people with very poor and poor well-being had fallen into despair, believing it was not possible for them to move out of poverty without some supernatural assistance (see Box 7).

Box 7: Despair and reliance on the supernatural trapping people in poverty

The well-being level of Albert (age 49) was stagnant at Level 2 out of 6 (1 being the poorest level) between 1999 and 2009. Men focus group described him as almost not working on his half-acre cassava farm. He is a mason, but consumes excess alcohol whenever he is paid and does not go back to work until he runs out of money, although his construction contracts are rare. During his life history interview, he agreed he had been at Level 2 for 10 years. His reason for this was, 'our life is just of that level'. Men focus group respondents said the same – that most people in the village at Levels 2 and 3 had fallen into despair.

Albert Ngenze was also asked whether he aspired towards upward mobility. He said, 'sometimes when I grow paddy expecting to harvest about 20 bags of rice I harvest only about 5 bags owing to some people applying their "expertise", which makes crops thrive well on their own farms at the expense of my crops'. By this he meant witchcraft, which he believed happened on about 70 percent of all farms in the village. He added that some people then despair and stop producing much. Such despair was also reported in Mwanza region. The two attributes, despair and belief in the supernatural, are likely to make exit from poverty more difficult or even compound poverty.

Albert, Kalesa, Rukwa

4.5.2 Defying good advice and negligence

Some community members are not heeding policies, rules, regulations and plans. This might be described as a 'cold boycott', whereby people silently violate certain instructions. This was common with government rules, regulations and policies, especially with respect to CHFs and village meetings, as Box 8 describes.

Box 8: Negligence and poverty mobility

In Nchinga village, Mtwara, only about 20 percent of villagers have paid the money to join the CHF: the majority have opted to pay TSh 1,000 per person whenever they go to a dispensary. Zulfa Saidi (34 years old) said she could not get medicines from a nearby dispensary because the CHF had failed as community members were not contributing cash. District officials might be to blame for failing to mobilise people to pay; on the other hand, community members might be to blame for being resistant to paying CHF contributions.

Another example is of statutory meetings, which are held four times a year at village level, although emergency and special meetings can be called at any time if necessary. Abdul Idrisa, Acting Executive Officer of Chikota ward, Nchinga, said, 'one of the indicators of democracy at the local government level is attendance in meetings because it is there where we make decisions affecting our development agenda. However, it is amazing that only about 40 percent of people normally attend such meetings.' The reasons for this were said to be lack of interest and people always being busy. Whatever the reasons, not attending meetings means people miss first-hand information leading to poor implementation of decisions arrived at during meetings.

4.5.3 Retaliation

Retaliation and revenge seeking at community level may result in substantial losses on both sides. Box 9 presents a notable case of retaliation that emerged during the research.

Box 9: Retaliation and poverty mobility

In the female focus group discussion in Wazabanga village respondents said that some men were getting so addicted to alcohol that they did not take care of their families. Some wives of such men work harder to provide for their families even though their level of well-being is not as high as it would be if the men also worked hard. However, some women responded by drinking excessively too and being 'easygoing with other men', apparently to make the most of family resources before they are gone. The women feel they have nothing to lose: even if the family becomes bankrupt, even if they had not acted in this way the resources would have been exhausted anyway. Such forms of retaliation can result in impoverishment as people causing losses to one another and to their family members.

Women's focus group discussion, Wazabanga, Mwanza

4.5.4 Breach of rules and regulations

The fieldwork found some community members violating regulations (and in some cases good advice) for their own benefit (rather than because of anger or lack of awareness, as shown in Section 4.5.2). Box 10 details community members' continued use of *kangomba*, which has been prohibited by the government.

Box 10: Breach of rules – the paradox of the *kangomba* in Nchinga, Mtwara

The Tanzanian government has prohibited the use of the *kangomba*, but people go on using it. In a village focus group discussion, one respondent said that using the *kangomba* was not bad because it is normally used off-season, mainly when farmers need quick money, e.g. for food, kerosene, school fees, etc. Hassan Mbonde (71 years old) said it was not good but that it helped them during emergencies, such as when in need of cash for burials, medical treatment or lack of food.

The common stance of almost all villagers on *kangomba* was revealed by Hassan Ali: 'the type of *kangomba* that the government has abolished is not this; it is that of middlemen representing private buyers. This type of *kangomba* is helpful to us because sometimes we sell cashew nuts to the primary cooperative society and they tell us to wait for cash for about three weeks. Therefore, when we have urgent needs like to buy food, to purchase medicines for sick household members or to pay school fees, we cannot avoid selling our cashew nuts using the *kangomba*.'

Hassan, Nchinga, Mtwara

4.5.5 Giving the wrong advice

Some parents mislead their children on what is worth doing. For example, in Kalesa village, Rukwa, Christoph Kipoya reported that in 2003 one boy was told by his father to make sure he did not pass his primary school examinations so the father would not have the trouble of paying for his secondary education because he did not have any money. The boy did not agree with his father but told this to the division officer. The latter cooperated with the head teacher to encourage the boy to do well in his examinations. He did well and was elected to enter Kipili Secondary School.

5 Issues emerging from the research

It is evident from the empirical findings of this research that many conventional indicators of governance are important as far as explanations of poverty are concerned. Moreover, the findings imply that negative governance points are more applicable than positive ones. Interviewees were able to explain the negative and positive ways in which the indicators of governance affected them. In this regard, classical approaches to analysing governance are useful to assess linkages between governance indicators and indicators of poverty, although some grassroots-level factors exist which explain poverty but which are not captured by these classical approaches.

Pro-poor reforms implemented by the government of Tanzania since 1999, when local government reform started and the TDV 2025 was promulgated, have enabled some people to make better strides towards exiting poverty. For instance, the removal of the development levy and the yearly payment for a business licence has had a positive impact for some people. Meanwhile, in one ward of Nkasi district of Rukwa, government facilitates cross-border trade well, whereas in another ward of the same district and in one ward of Newala district of Mtwara there is limited facilitation of cross-border trade. This constrains communities' ability to exit poverty.

Under the PRS and MKUKUTA I, some commendable strides have been made, such as improvements in rural roads and increased coverage of schools, health facilities and water services. However, a great deal still needs to be done: most rural roads are still not good; schools still have shortages of teachers, books, libraries and laboratories; health facilities lack experts, medicines and equipment; and improved water sources are still inadequate.

Although a booklet in Kiswahili summarising MKUKUTA I was circulated, dissemination has been inadequate. Low publicity of national and local programmes, projects, policies and strategies constrains implementation of the same since potential implementers are not aware of their importance. This partly explains the low implementation of some priorities of MKUKUTA I, as in Kalesa, Rukwa, where some community members boycotted participation in government-run community activities.

If community members are well-educated, mobilised and involved, from problem identification, to prioritisation, to implementation of interventions, community development can achieve a great deal. Participatory use of O&OD further heightens impacts, particularly if the government or other sources can inject financial resources to obtain materials that are not locally available.

However, the unfair distribution of tractors for Agriculture First, biased provision of presidential funds for entrepreneurs and lack of transparency in issuing credit in some ward SACCOs show that, in some cases and places, economic resources meant for specific

groups of people for poverty alleviation do not reach them. This constrains poverty alleviation efforts among those people and at large.

The number of SACCOs has increased in rural areas and at workplaces recently, which is promising for poverty alleviation. However, some SACCOs do not work well, putting people off joining and leading them to go back to moneylenders who loan money at very high rates. In addition, some community members have poor knowledge of the methods of microfinance.

Agricultural extension services are one of the most important institutions in the sector, but in some areas in the research sites there was only one agricultural and livestock extension officer for seven villages, with neither a bicycle nor a motorcycle to visit farmers. Agriculture is vital to poverty alleviation but this means the sector's contribution to overall poverty reduction is weakened. This situation is exacerbated if farmers have poor or no access to financial services for agriculture and if markets for agricultural products are poor.

Before the warehouse system of selling agricultural products was introduced in 2006, the price of cashew nuts could vary greatly within one agricultural season, because traders were taking advantage of the loopholes that existed in the marketing system. The government did well to interfere by introducing the warehouse system. However, some farmers go on selling their cashew nuts using a *kangomba*, despite the government having outlawed this practice and despite its negative impacts. Theft of cashew nuts from farms is also common and has negative impacts on poverty reduction, but thieves are jailed for only two to three months, which is an insufficient deterrent and reveals inadequacies and possible corruption in the legal system in this regard.

Land suitable for the production of high-value crops is in such high demand it is a potential source of serious conflict which will undermine poverty alleviation efforts. In some places, leaders have experience of solving land conflicts, which could help them in the future.

Women, female-headed households and poor members of society have poor access to legal provisions, and tend to be poorer than other members of society. Without pro-poor legal reforms, women, female-headed households and poor members of society are likely to be further impoverished as a result of unjust acts against them.

Incidence of low-level bribery in terms of 'material thanks' and at higher levels of the bureaucracy in terms of substantial amounts of money is well-known. Corruption is constraining poverty alleviation, especially for those who have to pay bribes. Meanwhile, some elected leaders are not accountable to the people who elected them, and appear not to be interested in the national drive towards poverty reduction. This could have serious implications for poverty alleviation.

There are some primary school teachers who allow female pupils to resume their studies after delivering children. This is positive, although it would be preferable if a bill were passed

to legally allow such girls to resume their studies, so as to improve progress towards attainment of MDG 4 on girls' education.

Community health services are not good in almost all sites. Rural people depend mainly on public health facilities, unlike in towns, where incomes are higher and private health facilities are more numerous. Nevertheless, much needs to be done to improve health facilities in both rural and urban areas. Shortage of water is a big problem in all communities.

Most old people are among the poorer members of society, since they are too weak physically to work. The situation is worse for those who have no relatives to help them produce food or to send them remittances. Retired civil servants have an advantage since they receive pension payments. However, the amount is low and the disbursements occur only once every six months.

Finally demolition of businesses and residential houses built in unplanned areas of towns occurs without the owners being compensated and impoverishes them.

6 Recommendations

To increase poverty reduction through improved governance towards the attainment of the TDV 2025 through MKUKUTA II, the following recommendations are worth heeding:

1. Continue and heighten the nationwide pro-poor reform programme and explore more opportunities for pro-poor growth policies. Areas in MKUKUTA I that have not yet been improved adequately should be carried forward in MKUKUTA II, but without forgetting new priority areas for MKUKUTA II. For example, improve education but incorporate the tertiary system which absorbs secondary school leavers.
2. Take governance issues more seriously at the grassroots levels by disseminating information more effectively and involving communities more actively in development plans, from conception to evaluation. Use the O&OD approach to identify obstacles and opportunities and prioritise interventions.
3. Take into account grassroots issues in the formulation of policy, so such issues do not constrain poverty alleviation because they have not been codified. As such issues are context-specific; involve local government in formulating bylaws to address them.
4. Strengthen existing institutions like warehousing, extension, cooperative societies, community banks and SACCOs, so agriculture can contribute more to poverty alleviation. New institutions could be established to develop agricultural technologies.
5. Introduce the warehouse system all over the country for major crop products. At the same time, look for markets for the products to be stored in such warehouses.
6. Establish funds to finance small- and medium-scale farmers to buy basic inputs without going through moneylenders. Precede such lending by providing farmers with education on how to use credit profitably and on the conditions of the credit. Enable farmers to form SACCOs so financial institutions can serve them more easily.
7. Formulate bylaws at local government level to end use of the *kangomba* and other deceitful measurements.
8. Enable community members to form groups to watch cashew nut farms to prevent robbery and specify penalties for thieves. Community members should be able to appeal to higher levels if a thief is imprisoned for too little a time.
9. Further promote and facilitate cross-border trade for poverty reduction.
10. Work towards the prevention of land conflict by abiding strictly by land use plans and land laws. Review land laws regularly with a view to increasing access to land by various groups of citizens, especially the poor, women, orphans and widows. Give special attention to such groups in relation to access to the legal system too.
11. Generate objectively verifiable indicators for the provision of government resources such as tractors so it is easier to convict corrupt officials who violate such criteria.

12. Work towards stemming corruption and formulate mechanisms to punish officials who breach regulations, such as the rule that children from very poor households be exempted from paying the annual secondary school contribution.
13. Make it possible for communities to cast votes of no confidence in leaders at any point, to alert them and subsequent leaders to be more responsible towards citizens.
14. Legally allow school girls who have delivered children to resume their studies to speed up progress towards attainment of MDG 4.
15. Ensure that efforts to improve health facilities are more equitable between rural and urban areas.
16. Ensure the elderly really obtain free medical treatment and that those who are entitled to pension payments receive them more frequently.
17. Control construction in unplanned areas rather than waiting for people to construct buildings and then demolishing them.

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Appendix 1: Interview, focus group discussions and life histories

SN	No.	Region	Type	Governance issues
1.	12	Mtwara	Life history	Agricultural extension so unpopular that interviewee does not know of them
2.	25	Mtwara	Key informant	Poor access to justice among women
3.	29	Mtwara	Key informant	Leaders suggesting solutions not feasible to problem of domestic water shortage
4.	32	Mtwara	FOCUS GROUP (village)	Bad and good governance in production and selling of cashew nuts
5.	35	Mtwara	Life history	Theft of cashew nuts on farm
6.	39	Mtwara	Life history	Labourers not being paid or being paid very little
7.	40	Mtwara	Life history	Villagers declining to participate in CHF
8.	42	Mtwara	Life history	Old not treated free in government health facilities
9.	44	Mtwara	Life history	Villagers facing deceitful measures of products
10.	54	Mtwara	Key informant	Female pupils denied chances to resume studies after delivery
11.	55	Mtwara	Key informant	Villagers not attending village meetings in which most decisions are made
12.	56	Mtwara	Key informant	Shortage of and under-qualified village agricultural and livestock extension officers
13.	58	Mtwara	Key informant	Formation of NEFA: good governance
14.	61	Mtwara	FOCUS GROUP (village)	Good and bad attributes of warehouse system
15.	72	Mwanza	Key informant	Lack of medical care for the old
16.	83	Mwanza	FOCUS GROUP (men)	Good governance using O&OD in identifying and prioritising village projects
17.	95	Mwanza	Life history	Lack of support to meet costs of education for grandchildren
18.	96	Mwanza	Life history	Bad governance at community level: leaders silencing citizens asking questions about cash contributions for development activities
19.	97	Mwanza	Life history	Good governance at workplace by facilitating employees to form SACCO and endorsing applications for credit from banks
20.	98	Mwanza	Life history	Bad governance whereby pension benefits are paid after every six months while it is little
21.	101	Mwanza	Life history	Bad governance in primary education
22.	102	Mwanza	Life history	<ul style="list-style-type: none"> • Good governance in primary education: girl allowed to resume primary education after delivery when in Standard VI • Bad governance: thief proven to have stolen TSh 500,000 from shop was not imprisoned
23.	103	Mwanza	Life history	As with 102 (his wife)
24.	107	Mwanza	FOCUS GROUP (men)	Customary laws dominating civil laws
25.	110	Mwanza	Key informant	Corruption in education and health services
26.	111	Mwanza	Key informant	<ul style="list-style-type: none"> • Politicians interfering with enforcement of agricultural rules • Well-organised ward-level auction market to control deceitful measurements of crop products • Presence of usury exacerbating poverty
27.	112	Mwanza	Key informant	Praising government for waiving license fees for one whose business turnover is less than TSh 20 million per year and introducing permanent licence
28.	113	Mwanza	Key informant	Community members praising ward SACCO for giving them credit at reasonably low interest rates
29.	114	Mwanza	FOCUS GROUP (village)	<ul style="list-style-type: none"> • How local networks, e.g. <i>luganda</i>, help movement out of poverty • Lack of title deeds for land • Low publicity of MKUKUTA I
30.	115	Rukwa	FOCUS GROUP (village)	Late supply of fertilisers
31.	116	Rukwa	FOCUS GROUP (village)	Good transparency of expenditure of income for school construction

SN	No.	Region	Type	Governance issues
32.	139	Rukwa	Key informant	Conflict of interest between health and water departments on responsibility for sanitation issues
33.	140	Rukwa	Key informant	<ul style="list-style-type: none"> • Good and timely implementation of school and water well construction projects • Untimely formation of groups to benefit from women's and youth's development funds
34.	142	Rukwa	Key informant	Lack of transparency in issuing loans from Makazi SACCO
35.	144	Rukwa	FOCUS GROUP (village)	Poor access of community members to credit from Mwandima SACCO
36.	150	Rukwa	Life history	High amount of cash contributions to primary education in Mwandima
37.	153	Rukwa	Life history	Primary school girls getting pregnancy resuming schooling
38.	154	Rukwa	Life history	Girls getting pregnancy resuming schooling
39.	157	Rukwa	Life history	<ul style="list-style-type: none"> • Denied a chance to go to secondary school as parents too poor to contribute TSh 20,000 • Denied by uncle opportunity to till his father's land after his parents divorced
40.	165	Rukwa	Life history	Corruption in cases over land
41.	166	Rukwa	Key informant	<ul style="list-style-type: none"> • Challenges affecting access to credit • Cross-border trade
42.	170	Rukwa	Key informant	Bad governance by ward and village leaders
43.	171	Rukwa	Key informant	Good governance: district-level authorities solving conflicts over land
44.	173	Rukwa	Key informant	<ul style="list-style-type: none"> • Bad governance at district level where development plans (MAKIRU) are poorly publicised and implemented • Poor implementation of policy to waive secondary school fees for children from very poor households
45.	176	Rukwa	FOCUS GROUP (village)	Poor flow of information to the grassroots
46.	177	Rukwa	Key informant	Bad governance in water

Appendix 2: Elements of good governance

Characteristics of good governance	Institutions needed for good governance	Items about which laws are needed for good governance	Policies needed for good governance	Services needed for good governance	Strategies needed for good governance
1. Administrative capacity	28. Appropriate technology	59. Accounting/auditing/disclosure standards	81. Agriculture	118. Education	152. Access to services for poor
2. Checks and balances	29. Agricultural research/extension	60. Anti-corruption	82. Land reform/land policy	119. Certification of producer/consumer skills	153. Alternative provision of social services/infrastructure
3. Coordinated policy, policymaking system	30. Bank and finance regulation	61. Trademark protection	83. Rural credit/infrastructure	120. Girls' education	154. Asset creation for poor
4. Credibility	31. Central banking	62. Enforcing contracts	84. Agricultural technology	121. Lifelong learning	155. Building social capital among poor
5. Decentralisation	32. Civil service	63. Penalties for dishonesty and fraud	85. Banking	122. Local accountability	156. Capacity building in public sector
6. Effective/responsive institutions	33. Conflict resolution	64. Anti-discrimination	86. Biodiversity	123. Tertiary Education	157. Capital markets
7. Effective rules/constraints/monitoring	34. Debt management	65. Bankruptcy	87. Capital markets	124. Environmental protection	158. Community monitoring of services
8. Efficient/equitable/independent judicial system	35. Democracy	66. Biodiversity	88. Community development	125. Health	159. Compensating losers in transitions
9. Environmental protection	36. Effective markets	67. Commercial law	89. Community planning/management of forests	126. Cost recovery	160. Comprehensive approach to attacking poverty
10. Free press	37. Effective service delivery	68. Competition	90. Competition	127. HIV/AIDS	161. Comprehensive development framework
11. Foundation of law	38. Environmental/natural resource management	69. Contracts	91. Corporate governance	128. Information	162. Economic growth
12. Gender/racial/class/intergenerational equity	39. Inclusive markets	70. Environmental degradation	92. Disability	129. Safe drugs	163. Empowering the poor
13. Good investment climate	40. Local development	71. Foreign investment	93. Downsizing bureaucracy	130. Universal access to basic services	164. Engaging non-governmental organisation sector
14. Incentives for public officials	41. Local governance	72. Gender/group equity	94. Energy	131. Vaccines/communicable diseases	165. Environmental protection
15. Institutions for coordination/accountability	42. Local problem solving	73. Human rights	95. Empowerment of women	132. Physical infrastructure	166. Focusing public action on social priorities
16. Investment in basic social services and infrastructure	43. Lowering transaction costs	74. Information	96. Fiscal restraint	133. Communication	167. Foreign investment
17. Learning/innovation institutions	44. Managing decentralisation	75. Labour standards	97. Family planning	134. Cost recovery	168. Innovation
18. Local capacity	45. Participation	76. Monopolies	98. Fisheries	135. Electricity	169. Interdependence of development strategies
19. Macroeconomic stability	46. Information and technology for poor	77. Pensions/social assistance	99. Foreign investment	136. Finance capital	170. International partnerships
20. Non-distortionary policy environment	47. Local demand	78. Property rights	100. Forests	137. Housing	171. Knowledge development
21. Participatory political processes/political pluralism/democracy	48. Local decision making	79. Intellectual property rights	101. Industrial development	138. Land use planning	172. Prevention, preparation for, response to macro shocks
22. Political stability/conflict management	49. Private sector governance	80. Quality of goods and services	102. Information and knowledge	139. Public transportation	173. Private sector development
23. Poverty reduction	50. Representation		103. Domestic research and development	140. Roads	174. Promoting equity
24. Property rights	51. Regulation		104. Information on rights/laws to poor	141. Safe water	175. Reducing vulnerability of poor
25. Sound regulatory system	52. Risk assessment/mitigation		105. Insurance	142. Sanitation	176. Redistributing investment towards poor
26. Strong and capable state	53. Socially responsible behaviour		106. Labour markets	143. Telecoms	177. Technology
27. Transparency/information	54. Sustainable development		107. Liberalised markets	144. Poverty reduction	178. Voice for poor
	55. Telecoms regulation		108. Open trade regime	145. Credit	
	56. Training		109. Privatisation	146. Job opportunities	
	57. Transparent budgeting/accounting/disclosure		110. Pro-poor fiscal adjustment/market failure for poor	147. Legal aid/legal information for poor	
	58. Violence prevention		111. Reducing vulnerability of poor	148. Microcredit/savings	
			112. Regulation	149. Social funds	
			113. Selective affirmative action	150. Social safety nets	
			114. Social safety nets	151. Targeted transfers/subsidies	
			115. Taxation		
			116. Urban development		
			117. Water basin management		

Source: World Development Reports (1997-2002/03, in Grindle, 2002).

Appendix 3: Dimensions of poverty and governance

Poverty	Governance issues
Empowering the poor	Rules for seeking and holding public office <ul style="list-style-type: none"> Fair, transparent national electoral processes Power-sharing arrangements to ensure stability in heterogeneous societies Oversight by political principals <ul style="list-style-type: none"> Parliamentary oversight with independent audit institutions Budget that is credible signal of government policy intentions Pro-poor policies Sound institutions for local and national representation
Improving coverage, efficiency and sustainability of basic services	Adequate, predictable resources for sectors, local authorities <ul style="list-style-type: none"> Pro-poor budget priorities for service provision Stable intergovernmental transfers with hard budget constraints Hierarchical and transparent budgeting processes Demarcation of responsibilities for delivery <ul style="list-style-type: none"> Assignment of responsibilities according to subsidiarity principle Capable and motivated civil servants <ul style="list-style-type: none"> Merit-based recruitment and competitive pay Hiring to fill real needs, within a hard budget constraint Public service that earns respect Accountability downwards <ul style="list-style-type: none"> Publication of accounts for local-level activities Dissemination of basic data on performance Mechanisms for client feedback, including report cards and client surveys Flexible delivery <ul style="list-style-type: none"> Involvement of civic and private (for profit) partners Development of local capacity <ul style="list-style-type: none"> Incentives to deploy staff to poor and remote areas Appropriate autonomy in deploying staff
Increasing access to markets	Legal and regulatory framework <ul style="list-style-type: none"> Enforcement of anti-discrimination legislation Incentives for deepening of credit and land markets Methods for reducing exclusion <ul style="list-style-type: none"> Enforcement of legislation against barriers to entry Provision of information on labour and credit markets Demarcation of responsibilities and budgeting procedures to support development and maintenance of infrastructure (e.g. rural roads) to enable physical access to markets
Providing security <ul style="list-style-type: none"> From economic shocks From corruption, crime, and violence 	Rules for sound economic management <ul style="list-style-type: none"> Hard budget constraint for sub-national and aggregate fiscal discipline Efficient administration of tax and customs Independent central bank to carry out monetary policy Safeguards against economic vulnerability <ul style="list-style-type: none"> Recognition of property rights over physical assets Access to speedy social insurance and other services through hub-and-spoke arrangements Enforcement mechanisms <ul style="list-style-type: none"> Independent and adequately funded court system Access to speedy recourse and redress Reliable and competent police Efficient courts with competent judiciary and legal personnel <ul style="list-style-type: none"> Alternative mechanisms for dispute resolution

Source: World Bank (2001, in Grindle, 2002).



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