



INNOVATIONS FOR SUCCESSFUL SOCIETIES

*An initiative of
the National Academy of Public Administration,
and the Woodrow Wilson School of Public and International Affairs
and the Bobst Center for Peace and Justice,
Princeton University*

Oral History Program

Series:

Civil Service

Interview no.:

Z6

Interviewee: President Benjamin Mkapa

Interviewer: Jennifer Widner

Date of Interview: 25 August 2009

Location: Dar es Salaam
Tanzania

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WIDNER: Thank you very much for speaking with us Your Excellency. You have been engaged in public service reform as President and subsequently you became Chair of the South Centre and may have views on the challenges facing reform leaders in other parts of the world. We wanted to speak with you about both of these subjects if possible beginning with public service management or public management reform which has gone fairly far in Tanzania even though there are still some challenges ahead.

I wanted to ask you to remember back to the mid 1990s when you became President and to ask you why you decided to move forward with public management reform at that time. Some people have observed that this is a part of government activity that many people don't like to address when they're in office because the benefits often lie very far out in the future and there's not much immediate political incentive yet you decided to go forward. Would you describe your decision making at that time, about the kinds of considerations you made?

MKAPA: *Well I had to undertake the public service reforms because they were key to the realization of the objectives that I had set to achieve when I sought nomination and the election to the presidency. Government then was the mover of change, of development, of growth and obviously the principal actors in that process were the civil servants. But we had almost ground to a halt in our pursuit of growth for social and equitable development. This manifests itself in several ways. We had a very strong cooperative movement at independence and its impact on the economy was very critical indeed because they produced--most cooperatives produce--most of the cash crops that we exported and upon whose sales we relied upon for our foreign exchange.*

By the time I was ready to seek office, the cooperative movement had really declined in its strength and although you had the ministry, if not a department that was responsible for cooperatives, obviously the civil service was not giving the necessary impetus to the work of the cooperatives and individuals had infiltrated the movement where they owned it rather than the cooperatives themselves.

While we had a mechanism for deciding who could stand for office in the cooperative unions for instance or societies, that function had been usurped by a clique of people who wanted to use the cooperative for their own self aggrandizement. Although you had a section or a department for auditing of cooperative societies and unions, it wasn't functioning well, so you had to tackle the cooperative union civil servants. Their area of course was the trade unions. There was a great deal of concern in the trade unions that they were not getting a fair return on their labor, that inflation was much too high. So recalling that the workers' movement had been very central in the struggle for independence, I felt we had to take a very fresh look at the performance of the Labor Ministry as well as the relationship between the civil service in the Labor Ministry with the trade unions, particularly the central trade union organization.

Then also we had the situation where previously we had had very good relations with a number of donors, particularly the Scandinavian countries, who had a very egalitarian and socialist attitude towards the evolution of society. For that reason they had been very instrumental in giving us a lot of assistance in the transformation of our society, with the youth, with the labor unions, and with the cooperatives but also direct government grants. They had been disillusioned with the performance of government and we had reached the point where they had

said look, unless you undertake reform, we are not going to sit down with you to discuss any further partnership in development. We will conclude the projects that are in hand which we had agreed upon, but we are not going to talk about new projects because your performance is awful. Again mismanagement as they saw it.

A similar attitude had been adopted by the international financial institutions, both the World Bank and the International Monetary Fund (IMF) had reached the same conclusion, not surprisingly, as the donors had done, that there had to be major, major transformation if they are going to really sustain the role that they had played in helping us to transform our society.

Over and above that I looked at the ranks of those who were seeking nomination at the time and in my judgment I thought that I should join the ranks. I felt that if they would be a factor for change, I would be a stronger factor for change. That may be a bit of self aggrandizement but I did feel very strongly. In fact I told our founding President when I went to tell him why I was seeking office, I told him ultimately I have looked at this list of potential nominees and my conscience would not be clear if I did not put my hat in the ring so to speak and if I was rejected for nomination then my conscience would be calm. But I had to get into the ring to see whether we could get involved.

Then of course at that time there were a great deal of complaints about corruption, corruption in the society as a whole, in business a lot of corruption, but because so much of economic activity centered upon decisions of the government and through the civil servants, you had obviously to acknowledge that there must be a lot of corruption in civil service, whether it is in procurement or in other ways.

So for all these reasons I said I was going to stand and fortunately I was elected. Having been elected I had to look at the instruments which were the driving force for change in society and that's why I had to undertake the transformation of the civil service.

WIDNER: Thank you. Reforming a civil service is a costly business in some ways.

MKAPA: Yes.

WIDNER: Often initially there is downsizing involved and that means some people will lose their jobs. It means getting people to think differently so it is often a hard thing to build support for within the civil service itself or within the government more generally, or even in the population. In those early years, what steps did you take to try to build a coalition of support behind the management reforms that were first taken because there was a very successful downsizing policing at that time, the envy of many countries.

MKAPA: *That's right. The first thing I did of course was to turn to those principal agents of change, external principal agents, the donors who had complained about our performance, the IFIs [International Financial Institutions], who had complained about our performance and I said look, clearly the public service is inflated in terms of numbers. It is limited in terms of skills and it is inhibited in terms of attitude to change, particularly with regard to its attitude toward the private sector, private sector economic growth. So I said I must prune this size, it is too costly for a government of my size. Therefore we need to reduce the size, but I don't have the resources you know because our revenues were so limited, that's*

why we weren't paying our debt to the IMF or the World Bank and so on. So I said, "how will you help me?"

So they turned to me and said, how do we know you will really undertake these changes? I said you've got to take a chance, just as I've been taking a chance with you. Anyway, eventually we did reach an agreement that they would help on a scheme to cut the costs of the civil service by offering retirement to those who would chose to retire, very generous ones. So they were able to help with funding for the retirement of close to one-third of the civil service. So generous that some people didn't even have to be asked to resign; they themselves wanted to join the bandwagon so to speak because they found the retirement terms were so generous that they didn't see their future presenting them with better terms. So they were able to do that.

So the first thing was to reach that agreement with the donors. In terms of the civil services I say because the situation generally in the country was no good, there were those who as I have told you were quite prepared to start a new life, given fresh capital, which was going to be given to them by way of retirement benefits. So they weren't really very difficult to persuade or to step aside or to resign out of the civil service.

With the remaining ones I had to give the promise that as government revenues increased their own salaries and terminal benefits would also improve. So this along with the reforms in the economics field and in others which led to a revival of the economy, and the resumption of bilateral assistance from our original donors and the resumption of some small but important indicative lending from the IMF and the World Bank, we were able to persuade largely the civil service that these reforms were necessary and they were not too prejudicial to their individual personal interests.

WIDNER: Did your fellow politicians go along with this? What were the biggest challenges in bringing them in behind this kind of reform?

MKAPA: *In terms of the politicians, they were prepared to give me as much rope as possible so to make it easy for them to hang me when I failed. So I didn't really have very much problem there. The situation was pretty difficult. People would admire my courage, some would cite my foolishness in undertaking these reforms, but when the economy started turning around and revenues began to increase and then after we had reached out to potential investors both domestic and outside and investment starting picking up, they began to see that there really had been no way out except these reforms had to be undertaken. It was not easy, but you see, the other political factor is that you are not only-- that is still up to now in terms of my party--you are not only elected to be President of the country but generally you also take over the leadership of the party.*

We have a party that meets very regularly, that sets out their agenda for the government. So you have an opportunity to explain yourself to the national executive committee of the party which is the policy-making one, to the central committee of the party which theoretically supervises much more closely the operations of government to see how consistent they are with the party manifesto. So that duality of power, if you like, of the executive in government but also the policy in the party gave me the opportunity to explain myself, first-- not to coerce, but to persuade the executive branch of governance that these measures had to be undertaken and then to the party to explain to them why they had to be undertaken and how in the long run they would benefit the party.

WIDNER: Someone suggested that Mwalimu Julius Nyerere was quite supportive of this behind the scenes in the early days and that might have helped, was that a help to you?

MKAPA: *Absolutely. There is no doubt he was very helpful. Some people go so far as to say he elected me to be President of his country. But it is true, as I have said to you in my initial remarks he was a very influential man within the party although he was only a party member at that point in time, but he was very influential, not only in the party but in the country as a whole. He is the father of the nation as we call him now. So I had to go to explain to him why I was undertaking this mission.*

With some of the reforms there is no doubt he had skepticism, but he too realized that a strong hand of reform had to take charge and so he campaigned quite widely for me to get elected and it helped to get me elected. Then when I started some of these economic reforms he was supportive. He usually led a very low profile in everyday activities in the country. He was busy with the South Centre and he was busy trying to transform his little farm up in his home place and largely to rest. So he wasn't really a hindrance and where it was necessary he was very helpful.

For example, in terms of economic policy, I know it is alleged now that he opposed very strongly the privatization of the National Bank of Commerce, but while he had his misgivings, actually in terms of strategy I had to ask him to talk to the World Bank President, Jim Wolfensohn, to tell him his people should not force us in the manner in which we are going to privatize, the decision has been taken that in order to revive and strengthen the NBC, the National Bank of Commerce, privatization had to take place. He should leave it to us to decide how this should be undertaken. And he did, he did. When Jim said that his people were not as forceful upon us as it was being alleged, he said call them in, I'm prepared to tell them in their presence.

They were called in and eventually they had to admit that they were setting out their agenda for how we were going to privatize--for instance, whether we should break up into three or two institutions. He said no, that's not the way. You have got the principle, you have acknowledged that they need transformation. Once having acknowledged that you don't have to tell them to take two steps or one step, let them decide this. And that's how I was able to proceed with the privatization of the National Bank of Commerce, and everyone admits now that it is a great success. The NBC is operating and the other branch which was the National Bank of Commerce is doing fantastically well, but they had wanted us to break into three and a half or some other thing.

So he was extremely helpful in that, in the reform, but also in my acceptability as the new President and leader of this country. Yes, there's no doubt about that, he was very, very helpful. But otherwise he has really kept his distance. I remember going to him and saying, well, you know, I have now been elected, how do you think I should organize the government? He said, "Mr. President," [laughing] "that is now your job, it's not my job. It is not my government, it is your government. So you go out and establish it."

WIDNER: On that subject of how you go about assembling a group of public managers to run this reform, I wondered if you would comment a bit on how you decided to vest responsibility for public management reform partly in the President's office—I know this changed over time a bit as well, and how you found talent to actually

run the reform. I think people often underestimate how difficult it is to actually manage a reform process.

MKAPA: Well, in my case it was easy; structurally it was easy because the public service has always been under the President's office. It has been a Ministry under the President's office. So the President is ultimately the Minister although he has a Minister of State who runs the portfolio for him. This strengthened the decisions that I made because they are made by the executive head of government. So structurally that was easy.

Then there was a lot of dead wood. As I say, obviously, if you can get one-third of the civil service removed without having a very drastic impact on the way things are going there was a lot of deadwood. Fortunately also I had been in government for quite some time so I knew who was who. So it was easy with the head of the civil service to sit down and go through the names of all those who we thought would constitute the Permanent Secretaries in the Ministries but especially in the Ministry of Public Service. We were able to spot them, to move them around, and to give them specific responsibilities for that. And for this I have to thank both the head of the civil service in my time who is now ambassador in Geneva, Ambassador Matern Lumbanga and who helped us to identify Joseph Rugumyameho, who was the first Permanent Secretary while I was there, and after he left, George Yambesi, who took over from him. They were strong hands, very knowledgeable in the rules of the civil service, but also very disposed to reform and to deliver and that helped a great deal.

With the ministers now it wasn't easy. I had to sit with every one of them and they had to show why they preferred this rather than the other and ultimately I had the last word. That is the advantage of having an executive presidency, you have the last word.

WIDNER: That's very helpful because I understand that initially too there were a lot of technical advisors that were in the Secretariat and that parallel structure hadn't worked so well. Then you created a slightly different structure.

MKAPA: Exactly.

WIDNER: Perhaps that helped a bit in coordinating the ministers or bringing them on board as well.

MKAPA: Yes, this was the Public Service Reform Commission that we established, yes, but within the Ministry of Public Service.

WIDNER: In, I believe, 1998, there was some legislation to help develop or make changes in public service and it failed on the first round and it succeeded later on. I wondered whether you could tell us anything about that story, did it fail on technicalities? Was it a coalition-building problem? How did you move it forward at that point?

MKAPA: I don't remember that very well but I suspect that it must have been on the returns of reform. You see, the biggest resistance to reform here is an inbuilt inertia with the civil service. When you are in a one-party state you have a similar inertia on the political front. There may have been those who said, this is trying to do too much at once. But I was being driven not only by this urge to transform, but also to demonstrate to the donors and particularly to the international financial institutions, that we were undertaking changes in better management of public finances but also of the public service. Without a clear demonstration like

that, we would not have qualified for the debt relief. Remember, these are the times when the Highly Indebted Poor Countries Initiative (HIPC) was being pursued. So I suspect it was that kind of inertia and the non-assurance that things will be all right for them.

In the end we raised the salaries admirably, I mean I'm not flattering myself, we raised the salaries admirably, but also the resistance was because we said in order to better administer these changes in the salary structure we had to remove the concept of allowances. Now we had reached the point where people were earning more in allowances than in their salaries and this was inhibiting, very, because everybody was fighting for positions and opportunities to accumulate allowances rather than to do their work. So this may be the second factor that made it extremely difficult.

But in the end when we produced the salary structure and a structure of governance that eventually would show that their purchasing power would be even better when the allowances were incorporated in the salaries, and how this would result in better terminal benefits, it was possible to make them change their minds. Of course on the other side we had to look at the salaries for the parliamentarians because otherwise they can block processes of change.

WIDNER: Today, once again, the problem of performance management has come up and I think that the leaders of public management reform are struggling with this. One of the things they say has perhaps complicated their efforts to make the citizen charters and other things work has been the simultaneous decentralization. So many people who were part of the civil service are now technically governed by the local government authorities. I wonder whether you could help us think through the appropriate sequencing here or think through the problem. Perhaps this is overplayed by people or do you think in fact maybe decentralization should have been delayed?

MKAPA: *The devolution of authority and responsibility could be and should be better staggered. If you devolve all of it at once then in a situation where you're public service is suffering from human resource capability and numbers, then we have problems. And that is what we encountered. First you know, after independence at some point all local authorities were abolished and then we realized it was all wrong so we reverted again to the local authorities. Upon reverting to the installation of these things, the process of devolution had to be a little slow, but already you see you had an inbuilt governance authority that was centralized to the region. So you had conflicts between the central government as represented to the district commissioner and the local authority which was power from the people represented by the district council.*

So how you divide the authority and the responsibility for development between the center and the local government authority was always a question and it continues up to this day.

There are certain things that you can devolve without too much damage to service delivery but there are others such as health and education where you may deliver the authority or the decision making, but in terms of the returns on the individuals, on the workers, on the staff, they are better managed from the center than giving them to individual districts.

We have a country of close to 130 or so districts. If each one of those had the authority to hire and fire, you can imagine what chaos there would be and we experienced this when we tried to decentralize the delivery of services in the

health sector. We said these [people] are going to work at the district hospital level and the health center level, which is within the district. Let the district staff officer take the responsibility for hiring, advertising, interviewing and that sort of thing. They would advertise and no one would apply. So they had to say to the center, "We can't find health service workers, can you help us?" So eventually we had to streamline and say, no, they would remain centrally hired but they would be devolved for work to the districts. So that is what has happened.

In terms of planning, again, in terms of planning, you have devolved the responsibility for planning but the decision making has to remain at the center because the process of enabling local authorities to find revenue on their own has also been very slow indeed. The districts here are really not economically viable. So they have to depend very much on revenues from the center. I don't have the figures in terms of percentages but they do have to depend on the largess of the central government.

So what then do you if [people at the center] don't have enough of a sense of responsibility to provide those funds to them? A potential area of conflict? But ultimately the real likelihood of human resource conflict is between the political officers elected to district council and the political officers appointed from the center. Because, you know, it is the territorial imperative, who is in charge here. Fortunately we have had a government at all levels that is largely of my party. So if there is a little friction they can always go to the higher authorities for resolution.

WIDNER: In thinking about the sustainability of the reform process beyond your presidency, what do you think would make politicians more supportive of something like public management reform whose particular benefits they may not actually see very strongly in their own constituencies. I'm trying to think of where the political incentives lie to continue the progress on this front.

MKAPA: *I think much depends on the political leadership of the country. They must keep the flag of reform flying which means you must breathe down the necks-- I'm sorry to have to use this expression--of those who are charged with implementation. If you relax a little bit it's not enough. Secondly you must strengthen the performance contract thing for the civil servant because you see one of the hurdles we had to overcome in reform was the inertia that arose from the fact of permanence in the civil service or the public service. I am permanent, I would have to do something drastically bad for me to be sacked. So once I have been confirmed in office then until I reach the retirement age I am secure, regardless of how well I perform and whatnot. I may be shifted around, but I am secure. I will retire with my pension at the end of my public service.*

But when you say look, promotion will really depend upon a record of performance that is registered and acknowledged, then you have people sitting on the edge of their chairs in order to show delivery, to show that they are working well. So the performance management unit there in the public service, in the President's office, assumed a great importance in ensuring that the path of reform is sustained. This is very critical indeed because in the early days of independence again, we had it with the British system where you were hired and you were observed for two years. At the end of two years a judgment will be made that you would make a good public servant. Once that judgment was made, you're high and dry, you went on until you reached the age of 55, I think, which is when you retired. But now, really, given specific targets and performance criteria, you have no automatic way of rising.

When we first embarked upon this reform, the public service reform, I was astounded to find that there had been people there for almost 18 years who had not even risen one ladder in the public service, either out of neglect or lack of funds to help them to pay. So when that path was cleared, there was a little more exertion in delivering services by the public service.

WIDNER: In concluding just talking about the public management reforms, I wonder if you can remember back to what you think constitutes perhaps the signal success of the period when you were President or, and this is often very helpful, something that you think didn't work as well as you would have liked it to have worked and tell us the story of those.

MKAPA: *For me I think the successful pursuit of economic reform is the key to all the deliveries which are credited to my administration. Once I had worked on the mindset of my fellow politicians that change must take place and I had received their readiness to wait and see whether I would deliver. Once I was able to persuade the civil service that these reforms would redound to their advantage, it was easy to realize these achievements which are accredited to me.*

If we had not been able to undertake the reforms in economics first, in persuading people that a public sector driven economy does not build the capacity to deliver the kind of services you expect, that alone it will not deliver and that the record since independence is quite clear. That is why we are where we are as I came into office. Then secondly when we were able to persuade the private sector that their investments here would be secure, that I was not flattering them by establishing a National Business Council which would meet fairly regularly in open discussion, and clearing the decks for investors to come in from the mining sector to tourism to others. Then it became possible for us to realize the public finances, the revenues of the government to an extent which enabled reform to hold.

In the early years I can tell you, in the first here years I think it was very difficult to persuade [people] that my reform obsession was justified, because it involved tightening the belt for everybody, including the civil service. In Swahili when we play cards there's a point where you don't win anything, you say kapa—na kwenda kapa. My name is Mkapa you see. So they say what is this kapa economy that this man is building around the place? But I was patient enough to go on and go on and go one. Within three years everyone forgot about the kapa economy because they had more in their hands and it is both much more than they had ever had before.

So again, I ascribe this to the success of the economic reforms with the civil service, with the parastatals which are part of the public service. There was quite resentment to the privatization program as you know because people were losing their jobs and what not. But I said, you will lose them anyway because there is no way in which the government can give subsidies forever. You can't ask for improved health services when I have to subsidize what should be a commercial enterprise. So once that was learned and accepted and the revenues came flowing in and delivery was improved, everyone forgot about Mkapa and they were talking about further delivery of services, whether or not, why don't we have a school here and so on. So that was extremely helpful.

But I think another pillar of the success was the readiness of the people to accept another exhortation of mine, which was— There was a mindset that believed that the government would deliver everything, that self-reliance was just a catchphrase, it was not a real translatable development strategy. But when I

again and again, I kept putting out very frankly that we did not have the resources that we needed a shared partnership between government and people in order to achieve development, this sank. So even as revenues were rising, the people's will to be partners in development increased. One of the challenges is that I had to tackle in public service management was to change the mindset of the public services, public civil servants that they were not the be all and end all of development, that their attitude towards people must change, to recognize them as partners in the development process and therefore their attitudes about their efficiency, about timely delivery, about courtesy to the ordinary citizen must be inculcated now in the new paradigm for development.

When the revenues were increasing, their salaries were better, they could go into a bar and order a drink just like those who were in the private sector because they had the money now, then things moved. Then things moved and we were able to achieve these results. But it was not easy, it was not easy although now everyone has forgotten from where we came. [laughs]

WIDNER: On those lines, did you actively go meet with the public servants, the civil servants yourself? How did you get this argument out to them, the idea that hey look, your situation is going to improve, so we want to see more courtesy and more—?

MKAPA: *Well in those days, in those days, I don't know whether they still have them, but there was a Workers' Council in the ministries you see which was representative of workers from the top to the bottom, they send in representatives and they would meet at least once a year. Where I felt it was necessary I would not just let the minister go by himself. They themselves would feel very reinforced in the authority if the President was also there. So anyway, I would meet with those workers' councils and outline all these reform agendas put out to them.*

I had for my governance model a truth and openness, and I would lay it out to them and say, where do you expect me to get the money to meet the costs of all these requests that you are making to me? So with the same attitude I went to the civil service and said, you want a raise, where do I get the money from? I remember going to one contingent of the Uniformed Services and there was a mantra of needs. So I said fine. My budget this year is this much. How would you distribute it so that you can meet the costs of all these needs you have outlined because if you were to take all this money and meet your needs it means your father who is back in the village, when he goes to the health center will not find any medicine and so on. So what do you want, medicine for your father or this stuff. So that kind of openness and truthfulness helped very much to enforce public confidence in the government.

WIDNER: I don't know how much time—.

MKAPA: *Go ahead.*

WIDNER: I have some additional questions which are more general in nature and we'd be very interested in your reflections, any stories you have about successes you've seen in any part of the world including Tanzania. We find that in public management reform and in some other areas, many countries reforms are blocked because there is a bit of a market for public office. That is particularly in parts of Asia, every position is up for sale. As a result positions change hands very rapidly and it is hard to find even a reform leader in place for more than six months at a time. Do you have any tips for them about how to curtail that system so that they can actually move forward with change?

MKAPA: *Well, I can only give you my own experience here. Our system allows for the President to appoint to substantive positions at the very high level of government. You can, in cabinet you must appoint them to Parliament before you appoint them to cabinet, and there is a limited number you can have there because you also wanted to retain the support of the rest of the parliamentarians. In the civil service you can in respect of perhaps Permanent Secretaries but otherwise no, they would have to be within the ranks of the public service. Where you do have an opening is with regard to advisors. If you get very competent advisers-- knowledgeable, courageous, who come in not to flatter you but to tell you the realities which the civil servants may not be able to tell you and which your fellow politicians may be hiding from you--if you have that kind of cadre around, both at the presidential as well as the ministerial level, it helps a great deal.*

I'll give you my own example. I tried to staff the economic ministries with very competent civil servants--no doubt about it, they were [competent]--and ministers too who had some share of my concern about reform. But I felt that in the direction with the international institutions and with the bilaterals, our civil service was not sufficiently exposed, had not sufficient experience, and they did not know exactly what kind of people they were dealing with, how their economies were being run, etc., etc. So I decided that I had to hire some people. So I took two officers from, one from the World Bank and one from IMF, nationals, dedicated nationalists, who were prepared to take time away and work with me here. One of them even worked without pay because he was about to retire anyway.

So they came in and they were a pillar of analysis, recommendations, and also knowledge about what had transpired in other African countries in Lesotho, Sierra Leone, in Ghana and so on. So that helped a great deal. She was from the NGO (nongovernmental organization) sector. She was my Assistant to the Presidency and when we established the Tanzania Social Action Fund which for me is one of the shining lights of people empowerment, that program, she was able to be extremely helpful and go over the heads of all these people who were saying, what is this new thing you call a social fund or something.

So it helps to have assistants, advisers, who are not too intricately homegrown if you like. That helps a great deal. So you can get them from international financial institutions, you can get from academics. Sometimes you can get them from the public enterprises, but even from the private sector you can persuade, if you are like-minded, you can get people from there who will come for a period of time on a specific project to help you see it through. That I find is—that's the only thing I can think of myself.

But ultimately, all these things require a strong political base of support. If you don't have that, you can have the best plans, they will not get anywhere.

WIDNER: Thank you. This is a terribly tough problem, your reflections are interesting. Another problem that many reformers face around the globe, which may have been less of a problem here-- people often say "Tanzania, but that's an easy case, that country is peaceful"--civil servants will face pressures from kin to try to hire their relatives. You see it at the top levels as well as lower down. Are there any strategies you found from managing the demands of kin that you would recommend to others or are there examples of strategies elsewhere that you would recommend to fellow leaders?

MKAPA: *Well for once here, such nepotistic tendencies are strongly frowned upon and you would find that the workers' guilds and the ministries and the parastatals are always on the lookout for who is being favored, on what grounds and so on. In terms of hiring there is always a hiring board. So you have to advertise. Now as part of the reforms positions are advertised. You have to apply. There is a board that interviews you and it is all marked and so on. So it is useful to have those procedures for hiring.*

As I said to you, it is only for the very top advisory positions that one is free to appoint people, otherwise to have such strict staffing regulations, hiring regulations, promotional regulations, and institutes for enforcing them, that is very, very helpful indeed. There was a time here when the economy was really in a shambles and I have no doubt that one of the things that contributed to that shambles is this business of notes: "this is my brother give him a job." You have a public enterprise. There is a quota that is obviously optimum for the financial management. But this is a minister and he has the authority to recommend to the President whether I should stay, whether my contract should be renewed. So if you get a note from the minister saying please hire this fellow, he's a relative of mine, you're likely to do that.

Similarly when there are scarcities of commodities or export licenses, stuff like that. But watchdog agencies, strong ones, can really restrain politicians from undertaking such devious activities, it can help.

WIDNER: And it is easier to create those at the time of growth and then—.

MKAPA: *That's right, it is, one of the things that we did in the transformation here was establish a lot of regulatory agencies that undertake some of this stuff. So whether it is communications, in transportation and so on, and they are very much under the public eye. You have noticed that there is a very militant press although qualitatively it is very poor [laughs], but all this is enough to discourage people from undertaking activities that could spoil their reputation.*

WIDNER: I suppose cellphone technology has also helped with that, there is no longer any ability to hide.

MKAPA: *Very much so. It is very difficult to hide these days.*

WIDNER: Another problem that other leaders have faced and perhaps more than you have in Tanzania was the difficulty of trying to push reform forward when there were people with a very systematic interest in bad governance. So perhaps a criminal economy, a drug economy where the drug leaders did not want reform to take place. Do you have any advice for the leaders who find themselves stuck in this position about how to lessen resistance for reform, or reduce the power of these kinds of people?

MKAPA: *I would say strengthen the law and order institutions, strengthen the investigative institutions, strengthen the judiciary institutions and be very open about what the goals are. If you do that it may deter, it will deter them, but you can't rule this out altogether, you can't defeat it altogether. But if they know that there is a strong police force, strong investigative force, a judiciary that has great integrity and acceptability and so on, I think it helps. But again, look at the political system, how open and fair is it.*

If there is a lot of political cronyism then you can be sure that it is associated with some malfeasance, not some, considerable malfeasance and therefore really, I

think a democratic, open, political system reinforces the war against corruption, against drugs, against all that kind of stuff. But it takes political courage. It takes political courage. Not very many have it but they need it! [laughs]

WIDNER: One last question because I know you are on a tough schedule today. Several people have commented that your professional background prior to being President may have helped you move a reform agenda forward. I wondered if you would reflect on the kinds of skills and experiences you found most helpful from your earlier life when you came to the presidency and tried to move reform forward.

MKAPA: *First, you know I have had a very varied career as you may know. I started off as a civil servant at the Ministry of Foreign Affairs. Then I went into journalism. Then I came back to the civil service and then I went into diplomacy. Then I went into politics and from politics I sought the presidency and got it. But the real critical influence with me--certainly that's what I believe-- was the opportunity I had to work with the founding President, Mwalimu Julius Nyerere. I worked with him from close range from the middle of 1966 until he left office, I worked very closely. First as a Foreign Service Officer and then as his editor for the party newspapers with him as editor-in-chief; I was his managing editor first with the party and then government newspapers. Then as his press secretary and then as his ambassador, then as his Minister of Foreign Affairs. So I saw him in action both nationally and internationally because as editor of the newspaper I attended all the policy-making bodies of the ruling party.*

Sometimes I traveled with him in the regions. So I saw his conviction, how conviction can energize someone in transformation, in transformative work. So that has helped. But also because I knew the civil service, and how it works, because I had served in there it enabled me to know what loopholes they would try to put into any programs we devised. My links with the politicians enabled me to learn how to handle them, how to persuade them, that helped a great deal.

My exposure to international organizations through the Ministry of Foreign Affairs meant that I developed the skills of talking to the heads of international organizations but above all else it is the sense of conviction, hard work, and, as I said, truthfulness and openness. I think this is what helped me. I can't say that there were any of the Permanent Secretaries for instance who had not, whom I had no contacts with at all in my public career, so I knew them a little bit and once you assume the presidency you can call in the files and find some more about what they have done.

With the politicians, there were many new ones--but of the old ones, I knew enough of them to determine who would be helpful in my administration or not. But it also enabled me to bring in a new generation of political leaders who would be better disposed to reform rather than to just refer to the nature of who they are, where they've been and what not. I'll tell you, yes, I think I can tell you, after I was elected the first thing I did was to call in the two senior-most members of the Parliament, of the government that was passed. I called them in and I said, "You are not going to be in my government. With great frankness I have to tell you that I believe that you will serve the cause of my government and the cause of our country as backbenchers rather than in the government. So I thought I would call you in and tell you this because out of respect I don't want you to learn about this from the announcements when they are made over the radio." But because I felt that they might not be in tune with the kind of reform agenda that I was coming with into government. So because I knew many of those, I was able to pick the kind of people I thought would help me in carrying the reform forward.

WIDNER: Excellent, thank you very, very much, we really appreciate the time you've given us.