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The University of Montana

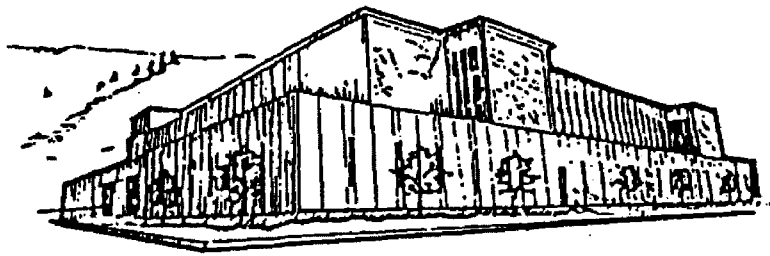
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May 25 1994

REVENUE ENHANCEMENT AND COST REDUCTION STRATEGIES
AT THE UNIVERSITY OF DAR ES SALAAM (UDSM)
TANZANIA

by
Justina M. Minja

B.A., University of Dar es Salaam, 1982

Presented in partial fulfillment of the requirements
for the degree of
Master of Public Administration
University of Montana
1994

Approved by

Jonathan Thijs
Chairman, Board of Examiners

R. C. [Signature]
Dean, Graduate School

June 3, 1994
Date

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DEDICATED TO MY FAMILY:
MY HUSBAND, SIX DAUGHTERS, AND TWO SONS
WHO SUFFERED TWO YEARS
OF MY ABSENCE.

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CHAPTER 1

STATEMENT OF PROBLEM AND METHODOLOGY

Introduction

This paper evaluates the financial problems being experienced by the University of Dar es Salaam (UDSM) and offers suggestions for revenue enhancements and cost reductions. This introductory chapter provides a statement of the research problem and describes the methodology used in the study.

The financial problems resulting from annual budget deficits cannot be fully appreciated without understanding the broader context of Tanzania's historical background, particularly the political and economic decisions taken after independence, and major changes that have taken place in the period between the 1960s and the 1980s. Hence, Chapter 2 is devoted to discussing the major dynamics of the country's political and economic development.

Chapter 3 discusses the changing role of government and its involvement in public institutions in the light of the changing internal and external environments. The general assumption is that the changed role of the state from the distribution of development benefits to the distribution of development costs has necessitated a drastic change in the

country's political and economic systems. These changes give rise to the following questions. What type of government is best suited for these changes and those that will continue to occur in the future? What type of responses should be made by public institutions to ensure their survival and efficient functioning in the future? How much autonomy and discretionary authority should be allowed to public agencies by the national government?

The University's mission and its place in Tanzania's society as expressed in its statute law and the country's policy on education are discussed in Chapter 4. Tanzania's public institutions, particularly the service sector agencies, the University of Dar es Salaam included, have been affected the most by the country's economic crisis. In order for these institutions to continue functioning and render badly needed services, they not only have to be restructured for more efficient functioning, but they also need to establish new relationships with the general public because their survival largely depends on their acceptability and support from the population generally, and particularly those who are most directly affected by them.

In Chapter 5, this study will discuss some of the management functions at the University of Dar es Salaam which need modification to enhance revenue levels, efficiency, and cost reduction. Some of these functions are leadership, setting priorities, programming, utilization of resources,

creating cost awareness as a conscious routine in management, and a better internal budgeting policy that holds officials more responsible and accountable in the performance of their duties. It is expected that after redefining the role of the University and its contribution to the country's development in the future, its new relationship with the general public will be more clearly understood because that is where the opportunities for revenue enhancement lie. Suggestions for revenue enhancement, including fund raising activities, will largely depend on the University's ability to be creative and vigilant in its dealing with government, its own workforce, and the general public.

Chapter 6 will be devoted to recommendations that may be studied by the UDSM so that it can make appropriate short-term and/or long-term policies to solve its financial and other operational problems.

Statement of the Problem

The University of Dar es Salaam was established by an Act of Parliament on July 1, 1970. Prior to this date, it had been a constituent college of the University of East Africa which comprised the Makerere University College in Uganda, the University College of Nairobi in Kenya, and the Dar es Salaam University College in Tanzania. This Act, titled "The University of Dar es Salaam Act, 1970," gave the University the powers of a body corporate which include a perpetual

succession and common seal; the capability of suing and being sued; the capability of purchasing and otherwise acquiring, and of alienating, any movable or immovable property; and the power from time to time to borrow such sums as it may require for its purposes (see appendix).

A large part of the University's operating budget comes from the Government of the United Republic of Tanzania in the form of an annual grant. Such grants have, however, not been automatic. The University Administration submits annual budget estimates which have to be studied and approved by the Ministry of Finance before they can be defended in the Parliament by the parent ministry.

In the early years of its inception, the University was able to meet most of its financial obligations from the financial resources allocated to it by the Government. The rate of inflation was low and the purchasing power of the local currency was high. Also, during this period the country had a substantial number of external donor agencies which supported various national development projects. Education was given the highest priority.

In the 1980s, however, the University's financial situation began to change drastically. Today, the Government of Tanzania is no longer able to fully meet the University's financial requirements as projected in its annual budgets. The percentage cuts have increased from 10 percent in the 1970s to 40 percent in the 1980s. In 1993, I am informed, the

University's budget was reduced by 60 percent.

The effect of the rising budget deficit has been that the University has been greatly constrained in its operations. It is being continuously forced to run the academic programs and meet its obligations with less financial resources every year. Consequently, the teaching faculty have faced hardships in carrying out their duties efficiently due to lack of adequate facilities and equipment, the students have been forced to put up with poor and inadequate services, and the University's management has had to carry the blame for this state of affairs.

Statement of Purpose

The purpose of this paper, as mentioned in the introduction, is to study the UDSM's financial problem in relation to the political, economic, and social environment in which it operates, particularly with regard to its annual budget deficits, in order to identify problem areas and suggest possible solutions. At macro level, an important question is what should be the Government's role in funding public institutions? Does it, for example, have the capability of maintaining a full ownership of its public institutions as has hitherto been the case?

At organizational level, the important question is what should be the role of the University in Tanzania's society? Since the University has to find alternative sources of

funding to supplement the Government's annual grants, its relationship with the Government on one hand, and the general public on the other, has to be clarified. In this respect, is the University of Dar es Salaam Act of 1970 a facilitator or a hindrance in its operations? What strategies could be adopted by the University towards revenue enhancement, more meaningful resource allocation, and reduction of operating costs to enable the University to fully meet its responsibility to the Government and the public? Currently, for example, the powers of the UDSM are limited because it has to be constantly aware of government's wishes in its operations. Admission of students has generally been based on government's projected manpower requirements. Employment conditions obtaining at the University (although some improvements have been made gradually) are those which have been set nationally by the Government. Among other things, it is important for the university to have discretionary authority and autonomy to enhance its ability to conduct its own affairs, including the ability to determine its own organization of the function it performs, and the number and employment conditions of its employees.

Methodology

This study was conducted mainly through library research, utilizing books, journals, and relevant documents. Specific books from which ideas have been drawn for redefining the role

of government and the mission of the University include Reinventing Government by David Osborne and Ted Gaebler, 1992, and A Passion for Excellence by Tom Peters and Nancy Austin, 1985, respectively. Specific documents examined include the "University of Dar es Salaam Act, 1970," which established the University of Dar es Salaam; and the University's "Management Review Report, 1991." The "Report on Restructuring the Office of the Chief Administrative Officer, 1992" was, unfortunately, not received from Dar es Salaam as requested.

The information gathered was analyzed in terms of its relevance to Tanzania's situation in general and the University of Dar es Salaam in particular. On the basis of this analysis, recommendations for possible solutions to the University's financial problems are made.

The validity of the research is limited in the following regards. Firstly, the topic as it pertains to the University of Dar es Salaam has not been researched before. Therefore, data directly related to the University's financial and other problems is limited. Secondly, interviewing relevant government officials, political leaders, and university officials in Tanzania was not possible. Financial constraints involved in making a trip to Tanzania to conduct research and back to Montana to complete the writing and presentation of the project rendered this aspect of the study unattainable.

CHAPTER 2

POLITICAL, ECONOMIC AND SOCIAL CHANGES IN TANZANIA IN THE 1980s

Introduction

Tanzania is a developing country which gained its national independence from the British colonial rulers in December, 1961. Its political status is that of an independent member of the Commonwealth. It was established in its present form on April 26, 1964, through the union of the Republic of Tanganyika (independent in 1961), and the People's Republic of Zanzibar (independent in 1963).

The country's development since independence in 1961 has involved fundamental changes in its political and economic systems. These changes have had great impact on governance, citizens' expectations, and operations of public institutions. This chapter addresses these political and economic developments with regard to how political, economic, and social relations will be affected in the future, particularly in relation to shifts in ideology and economic policy. Crucial questions include the following. What consequences does Tanzania face by changing from a one-party political system into a multi-party political system as approved in 1992? What consequences do liberalization of the economy and adoption of a free market philosophy hold for the government,

public institutions, and citizens? The answers to these questions lie in the evaluation of the country's development since independence and the policy reforms of the 1980s which took place in many developed and developing countries, Tanzania included.

National Development Since Independence

Immediately after independence, the main task that faced Tanzania was to build its national identity and enhance the economic and social development for its people. Like many other Third World countries that have gone through colonialism, Tanzania inherited a colonial bureaucracy, economic institutions, and a social infrastructure which were geared to economic ties with the industrialized states. These had to be changed or modified to suit the needs of Tanzanians. The ruling party which had led the country to independence undertook the task of political consolidation for national unity, and it introduced an ideology and economic policy to guide the country's development.

When assessing the political and economic conditions in Tanzania after independence, the country's leaders realized that political independence without economic power would be a farce. In order to put the country on the right path to development to benefit the people of Tanzania, it was important to embark on strategies to harness the country's political power and economic resources as means to national

development.

Two important political decisions concerned the country's political system, and the ideology to guide economic and social development. One-Party democracy, and Socialism and Self-Reliance, were adopted as the most appropriate political system and ideology, respectively, in light of the country's level of development. The contribution of policy ideas on these two issues was made primarily by the national leader, President Julius K. Nyerere, who had led the struggle for the country's independence. In her study of political ideas in Kenya and Tanzania, Ellen B. Pirro observes, among other things, that:

Political ideas are common to all political systems. However rapidly the political system is changing, a nation's goals and objectives and the paths or means to obtain these goals are continually articulated. Examining manifest political ideas is one consistent means for determining the operation of political systems, the trends, and fluctuations in their directions, and the methods by which policy is implemented.¹

President Nyerere's ideas were motivated by the need for national identity and the immediate problems of ignorance, poverty, and the absence of adequate social services, especially health services to eradicate disease. These problems differed in magnitude between rural and urban areas. It was presumed that a competent government and availability of resources would lead to economic development, thereby

¹Ellen B. Pirro, in Political Development & Change: A Policy Approach, edited by Garry D. Brewer and Ronald D. Brunner, the Free Press, New York, 1975.

eliminating the problems mentioned above and raising the standard of living for Tanzanians.

After instituting a one-party political system in Tanzania, the ruling party was given supreme power to assume a supervisory role over all levels of government and act as the final authority over all political and economic policies. The Party Constitution was made an integral part of the State Constitution. Hence, the Party became what might be termed a constitutional category. The National leader, President Nyerere, also assumed the top leadership of the party. In any political system political leaders have an important role to play in shaping national policies to cater for the welfare of all the citizens. In this respect, Ellen Pirro states that:

It is the politician who is the specialist primarily concerned with sensing, abstracting, articulating, and providing symbolic referents to explain and rationalize policy choices that have been made and shall be made at sometime in the future.²

President Nyerere did exactly what has been cited above. By virtue of his two hats, that of the country's President and Party Chairman (TANU and later CCM), President Nyerere continued to dominate the political and economic scenes, nationally and internationally, by shaping the subsequent domestic political, economic, and foreign policies that were adopted in Tanzania. Were severe reversals to affect the nation required, President Nyerere was capable of rapid reorientation to make new policies to manage changing

²Ellen B. Pirro in op.cit., p.31.

situations.

Following the adoption of one-party democracy, and the ideology of "socialism and self-reliance," two major decisions were made for national economic development. Firstly, the Government decided to embark on a nationalization policy which involved the State taking over the ownership and control of the major means of production and exchange. This occurred after the "Arusha Declaration" in 1967, when the banks, insurance companies, transport companies, hotels, main industrial firms and other private enterprises of national interest, large agricultural estates, import and export companies, and sizable rental properties were successively nationalized. The main reason for the nationalization policy was to prevent or minimize internal and external exploitation, and to utilize the country's resources for the benefit of the majority of the people. A major state-owned corporation was formed (National Development Corporation) which became the holding company for industry-related business companies. In the course of time, nationalization expanded. As S.S. Mushi observes,

this entailed the creation of an elaborate parastatal system consisting of holding corporations and subsidiary companies. Other organizations included the cooperatives, district development corporations and regional trading companies. It is significant that among the first to be nationalized and, among the most successful to date, were the financial institutions most of which had been externally controlled.³

³S.S. Mushi, "Tanzania Foreign Relations and the Policies of Non-alignment, Socialism and Self-Reliance", op.cit., p.13.

Secondly, the urban/rural dichotomy, which afforded some economic advantage for urban dwellers and put the rural population at a disadvantage, was seen as undesirable. Tanzania was, and still is, predominantly an agricultural country, geared towards the export market for primary goods. In the 1960s, about 90 per cent of the entire nation's population lived in the rural areas (this proportion has gradually decreased over the years due to population increase and expansion of urban centers). However, the gap between the urban and rural areas in terms of income, education, housing and social services has tended to widen. The disadvantaged condition of the rural areas originated from the colonial legacy mainly because the country's economy was not integrated. The few consumer-goods industries, and the commercial centers established during the colonial period, were located in the urban centers.

Rural development policy was created to correct the disparate urban/rural division. The major strategies adopted for this policy were (1) villagization, and (2) decentralization. Through villagization, more people would be encouraged to live together in designated areas. This would, in turn, facilitate smoother delivery of common social services like clean water, education, health, transport, etc. The President published a pamphlet entitled "Socialism and Rural Development" to act as a guide to the government bureaucracy, Party leadership, and individual officials in

their interpretation of villagization and collective development policies for the rural areas. President Nyerere elaborated on the main aspects of this policy as follows:

Rural development would entail five main things. First, there should be equitable distribution of resources/inputs to various rural communities. Second, the rural communities should be collectivized into ujamaa villages with a democratically elected leadership and the villages would produce communally for the benefit of all their members. Third, the villages would be encouraged to be self-reliant as far as possible and allocation of resources would take this into account. Fourth, to achieve self-reliance, emphasis should be on achieving higher levels of productivity of land per unit factor input. Finally, mobilization of peasants should be based on persuasion rather than coercion.⁴

Decentralization was aimed at bringing governance and resources closer to the people. The Party supremacy in this regard was also effectively extended to the regions and districts, which implied that the rural people would be empowered to participate in the formulation of development programs directly affecting them. Both strategies were unsuccessful in that the desired results were not realized.

Tanzania's development was based on centrally controlled political and economic systems. This left little room for individual initiative and the people became fully dependent on the State for vital social services, including subsidies for major food staples. While the policy of "Socialism and Self-Reliance" had good intentions as a whole, it failed mostly because the economic base was weak and the implementation was

⁴J.K. Nyerere, Socialism and Rural Development (Dar es Salaam: Government Printer, 1967).

faulty.

Problems and Changes in the 1980s

In the 1980s Tanzania faced dramatic changes in the political climate in both its internal and external environments. Internally, there was a growing ideological dissensus. Inefficiency in government operations, corruption, and lack of accountability in the government bureaucracy as well as in the ruling party, were the major problems responsible for this state of affairs.

On the economic side, the country had accumulated a large external debt, the majority of the people were facing hardships due to a high rate of inflation, and the government's capability to deliver required social services had been drastically reduced. This condition led to reevaluation of socialist philosophy. It was increasingly being questioned as a viable path to development.

Externally, political changes occurring in other parts of the world also had a profound impact on Tanzania. Three major political changes which had effects on many African countries, Tanzania included, have been cited by Patrick Chabal as follows:

- The collapse of Communism in Eastern Europe and the Soviet Union;
- The renewed determination in the West to link economic aid to economic and political liberalization;
- The end of apartheid in South Africa has created an international climate for the burgeoning of democracy

in Africa. The question is no longer whether it is right, but how changes can be brought about to make democratization possible.⁵

The above environment, coupled with the external and internal pressure being exerted upon Tanzania, led to two important political changes. The first change is in the political system. One-party democracy had become incompatible with divided opinion on the country's ideology. The collapse of the Socialist Camp, particularly, dealt the biggest blow to Tanzania's ideology. Although Tanzania's policy of "socialism and self-reliance" was based on ideas of "African Socialism", it drew most of its strength and support from its European counterparts, particularly the U.S.S.R. Although Tanzania has adopted a "non-alignment" foreign policy, the dissolution of the Soviet Union and political instability within Eastern Europe had serious consequences for her and other African countries which had hitherto pursued socialist principles.

The second change was in the country's ideology of "Socialism and self-reliance". According to expressed views in Tanzania, the changes occurring in the domestic and international environments required reversing or rescinding the former ideological beliefs which had determined the country's national policies. The national leader and party head subsequently acknowledged in the open that the number of people dissatisfied with a one-party political system in

⁵Patrick Chabal, "Democracy and Daily Life in Black Africa"; Journal of International Affairs, Vol. No.1, Cambridge University Press, pp.83-91.

Tanzania had grown. Although presidential and constituency candidates (two for each constituency) for the general elections have been selected democratically, disagreement has centered on alternative candidates for the presidency, the nation's ideology, and policy choices. President Nyerere himself publicly spoke in official meetings to the effect that Tanzania's society was now ready for a change from a one-party state to a multi-party state. After a series of public hearings conducted by an appointed commission, the results showed that the majority of Tanzanians still favored a one-party democracy. But despite those results, a decision was finally made in 1992 to legally adopt a multi-party system. The modality for change, and the number of political parties to be allowed in the country, were issues to decide in the course of time.

Although the President made no mention of the economic system, this area had also met with domestic opposition from Tanzanians who valued economic freedom and private initiative as a catalyst for efficiency and economic development. In response to the changing internal and external environment, the restrictive "leadership code" was relaxed to allow more economic activities for leaders, and for workers generally. While Tanzania's leaders, under President Nyerere's guidance, had been advocating for the construction of a socialist state as a long-term economic goal, it was becoming more and more clear over the years that it would not be an easily attainable

objective. A series of economic policies were adopted, including the gradual deregulation of the economy and liberalization of trade, which were more in line with the prescriptions made by international actors, particularly the International Monetary Fund and the World Bank.

The 1980s have been cited by Grindle and Thomas as a decade in which fundamental changes in public policies were introduced not only in the Soviet Union and Eastern Europe but also around the world. The specific problems of developing countries, including Tanzania, meant bigger economic hardships for governments and their populations. These problems, as described by Grindle and Thomas, were the result of:

external debt accumulation and extensive budget deficits resulting from prior decades of government expansion. This was based on the belief that the prospects for rapid growth were excellent and that only the limits of government efficiency and shortages of resources stood in the way. African states were doubly strained because of serious droughts in the 1970s and 1980s. Major international relief efforts helped to deal with immediate needs, but these crises seriously depleted the resources of large numbers of African nations. In the 1970s and 1980s, per capita food production declined, causing many countries to face substantial foreign exchange burdens for importing food. National efforts to deal with disaster often meant that development programs were neglected or came to a halt and new investments were postponed. As a result, the decade of the 1980s was one of little or no growth for most African countries.⁶

In addition to the problems described above, Tanzania was also adversely affected by the oil crisis of the 1980s. Although the country has an oil refining plant, crude oil has to be imported. Hence, the oil crisis had a negative impact on the

⁶Grindle and Thomas, op. cit., pp.152-153.

country's economy because the increased oil prices meant a further drain of its foreign exchange reserve. At the same time, a rising rate of inflation meant higher prices for goods and services.

Of particular relevance to Tanzania's current economic problems is the suspension of financial assistance by International Monetary Fund (IMF) in 1982, necessitating even more severe budget cuts. The government's inability to adequately fund ongoing programs and the imposition on the general population of higher costs of living and less assistance from government constituted a national crisis. Vital social services like health and education, for example, which had hitherto been fully funded by the State, had to be financially restructured to include the element of cost-sharing between the State and the recipients.

The economic crises described above made many Third World countries much more susceptible to external involvement in the management of their economies and more dependent on external assistance, particularly by the International Monetary Fund and the World Bank, who generally insisted on the introduction of neoclassical economics prescribing economic orthodoxy about stabilization and structural adjustment respectively.

Tanzania has succumbed to the conditions prescribed by IMF for financial assistance to support domestic economic programs, i.e. introducing democracy into governance to allow for more popular participation and liberalizing the economy to

shift economic activities to the private sector. It was recognized by the top leadership that the introduction of the political and economic changes described above constituted a crisis, especially in so far as the changes were tied to further financial assistance from the international lending institutions.

While external financial assistance was badly needed, internal political stability was also important. Hence, the changes have been introduced on a gradual basis. Although a multi-party democracy has been legally approved, the ruling party (CCM) continues to dominate political power. President Nyerere's socialist policies have been gradually attenuated by his successor under the IMF/World Bank mandated recovery program, but the country's ideology has not been formally changed.

On the economic scene, new economic policies have been introduced gradually. The State has gradually abandoned tight economic controls, especially on international trade. Tariffs, which had been imposed on some imported goods, have been removed, and subsidies on some consumer items and services have been abolished and/or modified to include an element of cost-sharing. The former nationalization policy has been reversed to create a more conducive environment for private and individual ownership and private economic initiative.

The declining financial resources of Government has

caused severe budget cuts. Consequently, government-owned corporations have been told bluntly to improve their operations in order to compete for economic survival or die a natural death. Private investors (national and foreign) have been given more favorable conditions to start businesses, even similar to those already owned by the Government, e.g., banks, insurance, import/export trade, foreign currency shops, etc. In short, the entire economy is expected to be turned into a fully fledged free market economy based on a neoliberal philosophy in due course. The Government is yet to come up with a clear policy on the future of its public corporations, or what relationships will exist in the future both between them and government on the one hand and between them and the citizens on the other.

The service sectors of the economy, particularly those which do not produce tangible wealth, such as education and health, have been strongly impacted. They have been forced to do with less financial allocations from the government, causing them operational hardships. Government should have formulated new policies outlining the modality of funding for these institutions, but it has not. Under these circumstances, the future success of public institutions depends on the government's ability to redefine its role to cater for the new needs and problems currently being faced, and those which are likely to occur in the future.

Citizens are gradually being required to be less

dependent on the State. This is in line with the changed role of the State from a distributor of development benefits to a distributor of development costs to society. What has not been made clear is how the State will be instrumental in the future to aid private groups and individuals in economic activities for national development. This ought to be done to ensure economic and social stability on a long-term basis. This issue will be discussed in more detail in Chapter 3.

Conclusion

The political and economic development of Tanzania was shaped, firstly, by the country's one-party democracy and the ideology of socialism and self-reliance, derived from "African Socialism," whose primary architect was President Julius K. Nyerere. He dominated that country's political, economic, and social development between the period 1961-1985 when he stepped down and retired to give room for a new leader. The consequences of one-party democracy, which was not open to scrutiny, robbed the nation of alternative ideas that were developing among the people, including a growing number of national intellectuals, about the correct route to national development.

Secondly, the country's economic policy based on socialist principles has had important implications. The major one is that the monopoly of economic activities involving strict control by the State left little room for

private investment (both internal and external). Because individual initiative for economic survival was curtailed, citizens became increasingly dependent on the State for survival. As a participant in the global economy under the world capitalist system, Tanzania was seen as lacking the "correct policy framework" both for the domestic economic environment and for attracting foreign capital badly needed for economic programs from the international lending institutions.

Thirdly, economic stagnation which caused the accumulation of external debt and a high rate of inflation required external assistance which was attached to changes in the political and economic systems. For Tanzania, this meant changing from one-party democracy to multi-party democracy, and shifting the economic monopoly from the State to the private sector. These changes have established new relationships between the State, its citizens, and public institutions.

Fourthly, the study observed a discrepancy in public information about changes occurring in Tanzania. Immediately after independence, Tanzania's public was constantly kept in the picture about the policies which were being adopted. President Nyerere was often heard on the media (radio and newspapers) and was active in putting his ideas on policies into books and pamphlets for consumption by the general public. This has not been the case with the reform policies of the

1980s and as a result most citizens are left in the dark regarding the direction of future development of their country.

The future of Tanzania as a nation in general, and its public institutions in particular, depends on how well its leaders can maneuver within the context of the reforms which have been introduced. This study recognizes the fact that no single country in the global economy can operate in isolation. This is equally true for Tanzania. Both domestic and international environments have to be given due consideration when formulating and implementing policy reforms. Deliberate efforts by government should be directed to laying down clear policies to guide the country's economic development and keeping the entire population informed, including educating them on the meaning and expectations of political and economic changes occurring within and without individual countries.

CHAPTER 3

GOVERNMENT INVOLVEMENT IN PUBLIC INSTITUTIONS

Introduction

In light of the political and economic developments which have taken place in the developing countries since the 1980s, new approaches and methods are required to deal with both old economic problems and new ones which have been created by policy reforms. The role of government in modern societies (in the advanced and industrialized countries as well as in developing ones) is evolving. This in turn is necessitating a redefinition of governance and politics. What does this mean for citizens, and for public and private institutions in these nations generally, and for Tanzania in particular? Can governments in these countries go on functioning in the old ways and still be effective? What should be the new relationship between governments and their citizens and institutions? These are some of the questions addressed in this chapter.

Government and Governance

The institution of "government" is a major characteristic of any organized society. The nature of government, what it does, and how it conducts its business, are some of the things

political systems determine. As society becomes more complex, the need for maintaining social order and providing public services becomes more important. Hence, government becomes a necessary instrument for dealing with the collective activities in society. According to Peter Woll and Robert H. Binstock:

"Governments are necessary in the most fundamental sense to enable society to engage in collective or group action to accomplish goals that could not possibly be achieved by individuals acting alone."⁷

Governance is a qualitative aspect of government. It refers to the totality of interrelationships between government and the members of a particular society, and between various groups or individuals within the particular society. These, in turn, determine the system of government that operates in a given social entity; for example, whether it is democratic or autocratic.

Although closely related, a distinction also exists between government and politics. D.D. Raphael has described the distinction between government and politics as follows:

Government concerns the institutional framework of rule in a State, that is to say, the structure and procedure of the legislative body executive and administrative bodies (the cabinet, other holders of ministerial office, and the civil service), and of the analogous institutions in local government. Politics concerns the behavior of groups and individuals in matters that are likely to affect the course of government, e.g. in voting, informing and running political parties, or in exerting influence in other ways on those responsible for the

⁷Peter Woll & Robert H. Binstock: America's Political System, Fifth Edition, McGraw-Hill, Inc., 1991, p.8.

conduct of government.⁸

In Tanzania, for example, the distinction becomes more apparent under the newly introduced multi-party democracy. This is because under the one-party democracy, areas of jurisdiction within government and between government and the ruling party overlapped. Clear demarcation of political and governmental jurisdictions is necessary if government is to continue to be viewed a legitimate instrument that is representative of all the citizens.

Tanzania is currently in transition to democracy. Although the ruling party (CCM) still monopolizes political power, it must be in the forefront in aiding the country's peaceful transition to the multi-party democracy recently mandated. Its role is vital in coordinating ideas from the general public about the structure of politics under the newly adopted system. The issues of legitimacy, authority, and representation are important and need to be given due consideration in the process of political reorganization and reinventing government in Tanzania.

New Approach to Governance

The worldwide changes of the 1980s and 1990s require new approaches by governments in solving economic and social

⁸D.D. Raphael "Politics and the State" in Problems of Political Philosophy, Second Edition, Humanities Press International, Inc., p.30.

problems. While governments in the industrialized nations are being required to redefine their roles in post-industrial societies, governments in the developing nations have to deal with problems of scarcity, underdevelopment, and economic growth to reduce the gap between the rich and poor internally and externally. In Chapter 2, the background to the changing role of governments worldwide and in the developing countries in particular was outlined. There is now a growing awareness regarding the need to reduce the size of governments to make them more effective. The problems of resource limitations in developing countries require them to distribute to society development costs rather than distributing development benefits as done in earlier decades.

Because all governments tend to be bureaucratic in structure and operation, the ideas and concerns presented by David Osborne and Ted Gaebler in their book Reinventing Government are relevant to all governments around the world today. Osborne and Gaebler argue that governments are necessary instruments for making communal decisions; that civilized societies cannot function effectively without effective government; that government officials are not the problem, but rather the bureaucracies in which they work; that neither traditional liberalism nor traditional conservatism have relevance to the problems governments face today; and that increased equity is not only right and just but a necessity if America is to compete effectively in today's

global marketplace.⁹

Osborne and Gaebler's principles, if modified, can be usefully applied to other countries. The concept of "reinventing government" refers to government doing its job in a different way by investing rather than spending. The phrase "entrepreneurial government" means that government has to utilize resources in new and more productive ways. This involves abandoning old programs which have not only outlived their usefulness, but they may be a source of inefficiency and waste in government. In Tanzania, for example, in addition to the general economic problems being experienced in the 1980s and the 1990s, the public has held the view that "government had gone on leave". Problems of corruption, inefficiency, and accountability have been so rampant that the people's faith and trust in government have been eroded. These problems have to be effectively addressed to restore the public trust and faith in government as a first and foremost priority.

Osborne and Gaebler's Reinventing Government identifies ten concepts which promise to redefine the role of government and define a new approach to governance. Each of the ten

⁹Osborne and Gaebler in the introduction to their book, Reinventing Government, discuss "An American Perestroika." Their major ideas reflect on the changes that have occurred, and are still occurring, in the American society. They cite examples of new types of organizations which are lighter and flatter, and new types of communities within America. But in the face of such changes, government organization and its agencies remain essentially the same, and hence, ineffective in dealing with new problems and needs arising within the American society and the need to remain competitive within the global economy.

concepts are discussed in detail and they are illustrated by examples of their practical operation in real situations.

These concepts are:

- Catalytic Government: Steering Rather than Rowing;
- Community-owned Government: Empowering Rather than Serving;
- Competitive Government: Injecting Competition into Service Delivery;
- Mission-Driven Government: Transforming Rule-Driven Organizations;
- Results-Oriented Government: Funding Outcomes, Not Inputs;
- Customer-Driven Government: Meeting the Needs of the Customer, Not the Bureaucracy;
- Enterprising Government: Earning Rather than Spending;
- Anticipatory Government: Prevention Rather Than Cure;
- Decentralized Government: From Hierarchy to Participation and Teamwork;
- Market-Oriented Government: Leveraging Change Through the Market.¹⁰

While the ten concepts are applicable to modern governments, both in the developed and developing nations, some have more relevance to specific countries than others. Current conditions determine which approaches are to be pursued more vigorously. The first two concepts, i.e., "catalytic government," and "community-owned government," are particularly important for Tanzania because they have a bearing on the failure of government-initiated development programs. Illustrative examples of such program failure in Tanzania include the rural development programs and villagization. Also, the policy reform proposals of the

¹⁰A detailed discussion of the ten concepts and how they have been applied in the U.S.A. has been done by Osborne and Gaebler in Chapters 1-10 in Reinventing Government, pp.25-310.

1980's imply that government has to be even more creative in adopting new ways of aiding the economic development to benefit all the people. These two concepts are discussed below.

Catalytic Government: Steering Rather Than Rowing

Osborne and Gaebler quote E.S. Savas who observes that:

The word "government" is from a Greek word, which means "to steer." The job of government is to steer, not to row the boat. Delivering services is rowing, and government is not very good at rowing.¹¹

Steering more and rowing less has relevance to the current government's inability to adequately fund existing and new economic development programs. This is particularly the case in developing countries where the economic bases are still weak. The new approach of "steering more and rowing less" involves government establishing a required service and letting the people manage it rather than government being involved in the routine running of service programs. The issue of who must do what must be determined in each instance. Transforming the role of government to steer more may involve, in some instances, privatizing or bringing together all the groups involved in solving certain problems.

One presumed advantage of this approach is that government is able to focus on the broader picture of society and its needs (steering), leaving the people who are involved

¹¹Ibid. p.25.

in service delivery to perform it well (rowing). Consequently, policy managers are freed to shop around for the most effective and efficient service providers so that service can be delivered more cost effectively. Flexibility enables policy managers to respond to changing circumstances.

In Tanzania the role of government in providing direction is particularly vital for economic survival of both the economically advantaged and the less economically advantaged people. Under the newly introduced free market economy, there is a potential danger of the poor becoming more impoverished and the rich becoming richer. Government has to find ways of enabling all members of society to engage in gainful economic activities, and learn to correct market inefficiency to ensure national economic survival. At local levels, people should be given more assistance in analyzing and arriving at possible solutions to their problems rather than government dictating what it thinks works best.

Community-Owned Government: Empowering Rather Than Serving

The assumption which has been observed in situations within neighborhoods in the U.S.A. is that "to really work programs have to be owned by the people they are serving." Under this concept, government acts as a facilitator rather than a provider to enable communities to become self-reliant. That is, people should not be totally dependent on government for survival. In effect, the power to make decisions on

community-related issues shifts from bureaucrats, through "participatory democracy," to communities which understand their problems better. The range of social issues and benefits that can be handled in this way includes crime-fighting/prevention, public housing, and welfare benefits for the unemployed people. The central idea is how to make public services efficient and effective.

Alternative Service Delivery Options

The process of reinventing government as outlined above also requires government to consider more effective ways of delivering service. Osborne and Gaebler summarize the important questions to be addressed by a government and list 36 alternatives which have been found in use across America:

Once a government decides to look into the alternatives to service delivery by public employees, it faces an array of choices. Would contracting work best? Or would vouchers be more effective? Would a partnership be appropriate? Or would a quasi-public corporation do the job better?

Alternatives

Creating legal rules and Sanctions; Regulation or Deregulation; Monitoring and Investigation; Licensing; Tax Policy; Grants; Subsidies; Loans; Guarantees; Contracting; Franchising; Public-Private Partnerships; Public-Public Partnerships; Quasi-Public Corporations; Public Enterprise; Procurement; Insurance; Rewards, Awards, and Bounties; Changing Public Investment Policy; Technical Assistance; Information; Referral; Volunteers; Vouchers; Impact Fees; Catalyzing non-governmental Leaders; Convening non-governmental Leaders; Jawboning; Seed Money; Equity Investment; Voluntary Associations; Self-Help; Quid Pro Quo; Demand Management; Sale, Exchange, or Use of Property; and Restructuring the Market.

Entrepreneurial governments can choose not only from these 36 alternatives, but from among endless variations and combinations of the 36. With all these arrows in their quivers, they need to develop a methodology to find the right arrow for the target in question.¹²

Many of the alternatives listed above are already in use in Tanzania. They only need to be modified and/or improved to fit new needs. For example, tax policy needs to be restructured to encourage support and voluntary contributions from the business community and private individuals to fund community projects. The list of alternatives can be carefully examined by Tanzania's leaders with a view to determining which ones can be usefully applied to the newly introduced free market economy. For example, public-public partnerships can be introduced within government agencies and between parastatal organizations to cut down operational costs. Those institutions which are situated within close proximity, like the University of Dar es Salaam, Ardhi Institute, Water Resource Engineering Institute (Chuo Cha Maji), and Social Welfare Institute, could consider pooling resources to establish common services, such as health, and housing to reduce operational costs.

Performance Measurement

The last part of Osborne and Gaebler's book discusses "the art of Performance Measurement" in government. This

¹²Osborne and Gaebler, in op.cit. pp. 332-343.

involves measuring government's effectiveness and acceptability by the governed. The authors are of the view that currently government measures inputs rather than results.

They suggest that:

- There is a vast difference between measuring process and measuring results; outputs do not guarantee outcomes;
- There is a vast difference between measuring efficiency and measuring effectiveness. Efficiency is a measure of how much each unit of output costs. Effectiveness is a measure of the quality of that output: how well did it achieve the desired outcome?
- There is an important difference between "program outcomes" and broader "policy outcomes."¹³

Governments are well advised to devise objective performance measurement criteria and methods that will achieve desired results. Some of the advice experts give on this subject are listed below:

- Do both qualitative and quantitative analysis;
- Watch out for creaming (manipulation by service providers);
- Anticipate powerful resistance;
- Involve providers and employees in developing the correct measures;
- Subject measures to annual review and modification;
- Do not use too many or too few measures;
- Watch out for perverse incentives;
- Keep the measurement function in a politically independent, impartial office;
- Focus on maximizing the use of performance data.¹⁴

Finally, the task of redefining the role of government, the governance system, and government's new relationships with citizens, would be incomplete if the element of public employees is not mentioned in this study, albeit briefly. It

¹³Osborne and Gaebler, op.cit., pp.332-343.

¹⁴Ibid. pp.350-352.

has been observed earlier that "reinventing government" involves, among other things, changing the attitude of citizens and the attitudes of those who govern. Public officials should be included in this group, even though some of them govern only indirectly.

The quality of their service in government is an important ingredient of an "effective government." Changing their attitudes can be done, for example, by introducing new codes of conduct or explaining new methods being introduced into government business. However, training and retraining of these employees will be an important tool for ensuring that they can manage their roles as public administrators efficiently and effectively.

Conclusion

The major theme addressed in Chapter 3 is the importance of improving government's effectiveness in an era of changes in society caused by ideological dissensus and economic hardships of varying magnitudes. These changes have presented new kinds of problems within societies in the advanced industrialized nations as well as in the less developed nations. The characteristics of these problems differ between individual countries within the different groups.

Government's role in these countries is evolving because new demands are placed on them. These demands have called for redefinition of government's role, a process which

requires new methods of doing government's work. In order to be successful in this task, the attitudes of citizens and those who govern have to change. If government is to meet the needs of the changing society new relationships between government officials and the general public have to be established. In short public trust in government which has been eroded in past decades due to malpractice and malfunctioning within government must be restored.

Professional analysis of the problems currently existing in government in the United States has facilitated a production of a working map to be used by those interested in transforming governments around the world. Although the ideas presented are generally applicable, their utility by individual countries requires careful interpretation and modification to fit individual needs and purposes.

CHAPTER 4

REVISITING THE UNIVERSITY'S MISSION AND ITS PLACE IN TANZANIA'S SOCIETY

Introduction

The University's broad mission is embodied in the country's educational policy adopted after independence. The said policy has two main objectives, namely, to achieve self-sufficiency in personnel at all skill levels in the economy, and mass education, both by a gradual implementation of universal primary education and by rapid development of literacy programmes for adults. Ta Ngoc Chau observes that:

Among the African countries which have become independent during the 1960s, Tanzania is one of those which have most clearly laid down the lines of development to be followed. Tanzanian authorities are well aware of the implications of development and have assigned an important role to education. It is therefore logical that educational policy should have a privileged position, as it is closely related to the policy of economic and social development.¹⁵

The part of the educational policy executed by the University of Dar es Salaam, and other institutions of higher learning in Tanzania, is the production of high level manpower required by all the sectors of the economy. Hence, the provision of higher education, which is primarily controlled

¹⁵Ta Ngoc Chau and Fracise Caillods, "Educational Policy and Its Financial Implications", in International Institute for Educational Planning, The UNESCO Press, Paris, 1975, p.16.

by the State, has been expanded only to the extent justified by the estimated manpower requirements of the economy for development.

The University's Mission

Revisiting the University's mission is prompted by the recent political and economic changes in Tanzania which have their origin in the policy reforms of the 1980s. The said policy reforms introduced democracy into governance and liberalism into the economic system to allow more popular participation and to promote economic development.

The problems faced by Tanzania which necessitated the policy reforms of the 1980s include external debt accumulation and rising inflation. As a result, the government has been forced to make continuous and severe budget cuts, leading to reduced financial allocation to government agencies and its public corporations, the University of Dar es Salaam included.

Funding the Educational Sector in Tanzania

The educational structure in Tanzania comprises primary education, secondary education, technical education, teacher training and higher education. Each of these are separately funded. Educational expenditures are financed from four main sources: the state, local authorities (for primary education), private sources (school fees and the resources owned by the

private schools themselves), and foreign aid.

The financing of higher education is different from that for the other levels. Essentially, the state is responsible for the financing of higher education. Local authorities do not participate in such financing, and fees are charged only in the case of foreign pupils.

The University's financial problems can be related to historical causes as well as current economic conditions. Firstly, the maintenance of common services organizations in colonial East Africa (Tanzania, Kenya, and Uganda) with their headquarters in Nairobi, Kenya involved uneven distribution of important facilities among the three countries. Secondly, the maintenance of a federal university system, to which the University of Dar es Salaam was the latest member to join, placed Tanzania at a disadvantage due to then existing policy not to duplicate facilities already installed at the other campuses. The break up of the East African Community and the disintegration of the University of East Africa have had adverse economic impacts on Tanzania, particularly in relation to funding the University of Dar es Salaam. This Chapter concentrates on the effects suffered by Tanzania in general, and the University of Dar es Salaam in particular, as a result of the break up of the University of East Africa.

During the colonial period higher education was centrally administered under a federal university system comprising a constituent college in each country. The three university

colleges formed the University of East Africa (UEA). In his study of higher education in East Africa, J.B. Knight observes that:

The University of East Africa (UEA) was formed in 1963, but Makerere was elevated to university status in 1953, Nairobi in 1961 and Dar es Salaam took its first students in 1961. The college opened with only a law faculty, and added the faculty of arts and social science in 1964, and the science faculty in 1965. ...The UEA makes a distinction between the so-called professional faculties - law, medicine, agriculture, veterinary science, engineering, architecture, and surveying - and basic faculties - science, arts, social science, and education. An inter-territorial university possesses important advantage over three separate small universities: it can achieve economies of scale by sharing professional faculties under its three colleges, and it is in a better position than a small university to attract foreign aid. Dar es Salaam, being the late-comer, has only one professional faculty, the law faculty, but Makerere has agriculture and medicine, and Nairobi has engineering, surveying, veterinary science and architecture.¹⁶

The uneven development of the individual colleges under the University of East Africa, and the receding prospects for political union in East Africa which threatened the continued existence of the federal university, meant a bigger financial burden to be borne by Tanzania Government in later years. Even though the policy laid down in the University Development Plan for the triennium 1964/65 to 1966/67 was to approach and eventually achieve parity among the three colleges in the number of staff and students in their basic faculties, the professional faculties were not to be duplicated.

¹⁶J.B. Knight, "The Costing & Financing of Educational Development in Tanzania": UNESCO: International Institute for Educational Planning, p.60. This study was conducted in 1975, only five years after the decision was made for the University of East Africa to disintegrate into fully fledged national universities.

Subsequently, however, Tanzania found it necessary to add the faculties of medicine and agriculture at the Dar es Salaam campus.

Since the inception of the University of Dar es Salaam in July 1970 as a national university, there has been a steady expansion of physical facilities and the number of disciplines taught. Three faculties and four institutes have been added, involving a substantial financial responsibility for Tanzania Government.

The historical background described above and the major changes which have taken place in Tanzania following the policy reforms discussed in detail in Chapter 3 have had a strong impact on the University's operations as discussed below.

The University's Objectives

The organizational objectives and functions of the University are spelled out under Part II(4) (a-g) of the Act of Parliament which legally established the University. This was "The University of Dar es Salaam Act, 1970." For ease of reference a copy of the said Act is attached as "Appendix A."

These functions and objectives now need to be revised and modified to be in line with the changes mentioned above.

The first of the changes, a more decentralized government, forces public agencies to depend less on government for funding as opposed to earlier decades. Public

corporations now must be more competitive in order to survive. Many of the service sectors which do not produce tangible wealth, such as education, must locate new sources of funding to sustain their organizational objectives. In order to do this, it is necessary that their relationship and association with government and the general public be redefined. Hence, the University has to be more empowered and given more discretionary authority and autonomy to afford it more freedom in dealing with its financial and other operational problems.

It is important for Government to empower the University more than it has done in the past. Empowering means that government should define what it wants the University to do, give it the authority and responsibility to decide how best to achieve the set objectives, and hold it accountable for its activities.

Discretionary authority here means the ability to conduct its own affairs, including how the university is organized and the number and employment conditions of its employees. The University has been limited in the past by the Government having control over admission quotas, the courses to be taught, and employee terms and conditions of service.

Empowerment and discretionary authority requires greater autonomy. More freedom should be given to the University to directly participate in choosing its top leaders, which has not been the case in the past. Part IV of the University of Dar es Salaam Act spells out the administration of the

university. It defines who the senior officials of the university shall be and the mode of their appointment. The positions of the Vice-Chancellor, the Chief Academic Officer, and Chief Administrative Officer are presidential appointments. While the Vice-Chancellor is appointed by the President of the United Republic of Tanzania in consultation with the Cabinet, the other two appointees are selected in consultation with the Vice-Chancellor. The three appointees remain in office at the will of the President. This has contributed to management problems at the university in terms of leadership effectiveness because many workers, particularly the teaching staff, have felt alienated from their leaders. It has also reduced the level of commitment on the part of the leaders in undertaking long-term planning for the university's development.

Secondly, the University's ability to deal more directly with the public it is supposed to serve is important. In the past, the University has not been very active in dealing with the general public because the scope of its activities has been controlled by the State. Although the University's governing body, the Council, has a membership which is supposed to be representative of all the social groups in Tanzania, its members mostly represent the elite. The University ought to have more interaction with the general public in the future to cater for changing needs. This will not only enable the University to accommodate the interests of

the public, especially in the area of knowledge enhancement for the benefit of the entire political, economic and social life of the people of Tanzania, but the University will in turn receive the support it needs for revenue enhancement.

The second change means that the University has to refocus its mission and organizational objectives to accommodate the needs of a more liberal economy in Tanzania. While the university's mission still remains valid, its organizational objectives were formulated when the country was actively pursuing socialist principles. Under the new democracy and free market economy it is obvious that organizational objectives need to be revised to meet the academic needs of the introduced changes. It will be necessary, therefore, for the University to be more customer-oriented and less bureaucracy-centered, and in so doing to create new relationships with its clients which will in turn offer new opportunities for more support and revenue enhancement.

Government's ability to finance the educational systems in the past has depended on the state of the economy as a whole. But Tanzania, like other developing countries, faces the constant rise in unit cost in the national economy and increasing competition within the state budgets. Needless to say, economic projections are always uncertain, and even more so in developing countries where the economy is faced with changing world commodity prices. The economic uncertainty will prevail in the future. Hence, while the government has

to maintain its directing role, the financial responsibility will be shared with the general public. The cost-sharing proposals already initiated by Tanzania Government will have to be improved upon from time to time to enable deserving Tanzanians to obtain needed financial support to pursue university education in the future.

CHAPTER 5

REVENUE ENHANCEMENT AND COST REDUCTION STRATEGIES

Introduction

Public institutions in Tanzania, the UDSM included, are public-owned and State-controlled. Consequently, their association with the Tanzania Government has hitherto been centered around the expectation that the government fully plays its role as the primary financial provider. As a result, individual agency initiatives for self-reliance and competitive spirit have been greatly curtailed and agency officials have continued to insist that the government fully fund their budgetary requirements. This attitude on the part of Tanzania's public institutions in general, and the UDSM in particular, needs revision to accommodate those changes in Tanzanian society discussed in Chapter 2 and the changing role of government discussed in Chapter 3.

The main concern addressed in this chapter is how to create favourable conditions within the public organizations in general, and the UDSM in particular, for revenue enhancement and cost reduction. Relevant questions include the following. Are the current organizational structures conducive to entrepreneurial spirit? Are workers sufficiently empowered so that they are dedicated and committed to the

success of their organizations? The creation of such an environment for individual institutions is possible if there is effective leadership that understands the changes that have occurred in the country and is willing to embark on appropriate institutional changes for future success.

Revenue Enhancement Strategies

The University of Dar es Salaam has primarily depended on the government for funding to cover recurrent expenditure, capital development, and servicing of capital works, e.g. maintenance and rehabilitation programs. Funds have been given to the University annually in the form of grants. Such grants have not, however, been automatic. The University Administration has been required to submit annual budget estimates for consideration and presentation by the parent ministry for approval by the Parliament which has the final funding authority.

In the 1970s funding grants enabled the University to manage its activities without much difficulty. But this situation has gradually deteriorated over the years. Annual operating budgets for the University have been constantly reduced. The annual budget cuts have been even more drastic in the 1980s, forcing the University to operate with less finances each year. This state of affairs is a matter of great concern to the university.

A Steering Committee appointed in 1991 to study various

management problems existing at the UDSM made important observations and recommendations on a number of factors that were considered a hinderance to effective management at the UDSM. Budgetary deficits and fundraising ranked second on the list of matters requiring the attention of both the Government and the UDSM to enable the institution to function efficiently and effectively.¹⁷

Most of the Committee's recommendations on the issues studied, including fundraising, called for substantial sums of money, other resources, and highly qualified personnel for implementation. However, the university's financial crisis will persist for two major reasons. Firstly, there are no indications that the overall national economy has improved substantially to absorb additional funding levels required of government by its various sectors, including education. Secondly, the problem of resources scarcity, including finances, has been addressed by the UDSM from the point of view of Government fulfilling its responsibility as the sole provider, thereby avoiding or ignoring the need to explore what the UDSM could do to attract its own funding

¹⁷Report of the Steering Committee on University Management Effectiveness Review, University of Dar es Salaam, June 1991, p.6. A Select Committee was charged with the task of studying management problems at the University and recommend appropriate action to be taken by the Government and the University Authority for better management effectiveness. On Budgetary allocations, the Committee observed that Government's recurrent budget allocation to the University declined from 98.9% in 1983/84 to 41.7% in 1990/91. The maintenance account received the lowest, declining from 12.6% in 1980/81 to only 9.5% in 1989/90.

opportunities.

The success of revenue enhancement strategies at the University of Dar es Salaam will depend on: (1) a leadership that identifies itself with its workforce and the community it serves; (2) a motivated workforce; and (3) an entrepreneurial spirit which encourages competitiveness in its operations. For example, the UDSM has not fully utilized its legal financial powers, which include borrowing and investing. These two activities require the UDSM to be prepared to take risk, which is rather difficult under the current erratic tenure of the top leadership.

Leadership

Creating the conditions explained above to facilitate revenue enhancement at the UDSM requires an effective leader to institute the needed changes for revenue enhancement and cost reduction. The UDSM's statute law gives adequate financial powers and authority to own property, borrow money, receive donations, invest, etc., as stipulated under Part VII of the UDSM Act, 1970. However, the selection of the university's leadership is primarily government-controlled, and the tenure of the leadership is of short durations and unpredictable. This robs the UDSM of the opportunity to select and retain leaders with sufficient dedication and commitment to long-term planning to accomplish the university's organizational objectives. The solution to the

problem involves amending the University of Dar es Salaam Act of 1970 to give the University more autonomy in its operations and selection of leaders.

Whether or not these changes are made, the university's leaders must explore ways to achieve organizational effectiveness under current conditions. Some ideas from Reinventing Government are particularly relevant to the UDSM for creating the necessary conditions and environment for revenue enhancement, namely "decentralized government" and "customer-driven government."

Decentralization, if adopted by entrepreneurial leaders, will involve establishing a form of management that is less hierarchical and encourages greater participation and team work. Currently, management at the UDSM is highly centralized, affording few powers to the faculties, academic departments, and supportive service departments. The people who head these departments are the ones who understand actual conditions and needs at the operational level and who daily interact with the teaching staff, students, and other customers.

The entrepreneurial spirit of decentralized institutions calls for the UDSM leaders to create a clear vision for the university, empower the deans and directors to make important decisions, and hold them accountable for producing results. This change, applicable at institutional level, will produce a flattened organizational structure with decentralized and

participatory management as opposed to hierarchical, bureaucratic, and rule-driven management. Real authority and responsibility along with resources will give deans and directors at more power and flexibility to deal promptly with changing needs and circumstances in their work places. Consequently, when the deans and directors are entrusted with important decisions, they will feel more respected, will experience higher morale, and will feel secure enough to pursue more innovative ideas in pursuit of approved performance. Delegation is also important at the departmental level. It entails selecting the right people, letting them know of the desired goals, allowing them to carry the ball, and holding them accountable for end results.

The concept of "customer-driven government" also has relevance to UDSM. This approach involves identifying customers, communicating with them, serving them, and treating them well. Under this approach, funding strategies are directed toward satisfying the needs and preferences of customers rather than funding the needs of the bureaucracy. In the context of the UDSM, customers include the general public, government agencies, private organizations which interact with it, and students.

Customer-driven organizations which have adopted Total Quality Management (TQM) set performance standards and stress the constant measurement and improvement of quality. Performance indicators for excellence at UDSM can give

management a clear picture of how well the teachers and other employees are tuned to serving valued customers. Such indicators may cover goal setting, quality-based management, customer service, human resources, curriculum and instruction, use of technology, and marketing. Methods of listening to the voice of the customer should be devised. David Osborne and Ted Gaebler suggest customer surveys for determining satisfaction levels, customer follow-up to see whether the services rendered actually yielded the desired results, community surveys to see what customers like and dislike about the organizations that serve them, customer contact reports, and customer councils. The University's efforts to create a committed workforce, establish a favourable image of itself through excellent performance, and create mutual understanding among its associates through customer satisfaction, will ultimately produce an environment in which revenue enhancement strategies will be more effective.

Strategies for revenue enhancement include exploring opportunities for gainful investment, encouraging the teaching and research staff to pursue funded consultancy and research projects more vigorously, expanding the scholarship fund to include undergraduates to build goodwill, soliciting for donations from private businesses and individuals, installing facilities needed by the university community, such as recreational facilities, a shopping center, and a room for art and art-crafts display/sale and business promotion drives by

interested groups for a reasonable user fee. Last but not least, students must be treated well so that they remain the university's active ambassadors after graduating and leaving the university to take up employment careers.

In order for the above revenue enhancement strategies to succeed there must exist an institutional framework that establishes fund raising as a conscious routine to be handled by a competent knowledgeable, creative, and dedicated official who can successfully relate with different organizations, groups, and individuals within and outside the university.¹⁸ Top leaders must give fundraising a high priority so that they constantly act as coordinators between the university and the general public.

Cost Reduction Strategies

It may be argued that cost reduction at the University of Dar es Salaam is irrelevant because there is already a problem of inadequate funds and resources needed for its operations. For the purpose of this study, however, it is maintained that cost reduction can occur in the course of time by changing the way the UDSM operates. This might be accomplished by

¹⁸The Steering Committee on University Management Effectiveness Review has observed that fund raising activities at UDSM seem ad hoc, uncoordinated and are not directly related to institutional framework. The University lacks publicity for funding requirements and information center for reference by various sections of the university and individuals and for dissemination of relevant information to interested or concerned target centers.

reorganizing administration; changing workers' attitudes by giving them responsibility with corresponding authority and resources; setting priorities by identifying the activities which are crucial to achieving organizational objectives; adopting new approaches to resource allocation and resource utilization; and establishing a better internal budgeting policy and creating cost awareness as a conscious routine in management so that organizational activities at the UDSM are both efficient and effective.

In order for the above suggestions to be meaningfully practiced, leadership style is important for creating a sense of ownership that discourages waste. Leaders at UDSM may well be advised to practise "Management by Wandering Around", a concept drawn from A Passion for Excellence by Tom Peters and Nancy Austin.¹⁹ According to Peters and Austin, a sense of ownership involves giving workers collective responsibility for more tasks and rewarding them collectively for their success. Hence, workers can take pride as stakeholders in the process and this in turn can motivate them to make the

¹⁹Tom Peters and Nancy Austin's A Passion for Excellence is devoted to revolutionizing management by discarding the so-called "management principles" which are currently serving our organizations poorly. In their view, the concept of leadership has become so crucial that "management" with its attendant images - cop, referee, devel's advocate, dispassionate analyst, naysayer, pronouncer - connotes controlling and arranging and demeaning and reducing. "Leadership" connotes unleashing energy, building, freeing, and growing. Peters and Austin cite various case studies to illustrate positive results from management's changed attitudes and approaches in handling workers and customers to support their arguments.

organization succeed.

Workers' sense of ownership is created, firstly, by making employees feel a vital part of the organization. This is accomplished by treating workers as important contributors rather than cogs in a machine; linking individual success to collective success; soliciting the views of individual workers; keeping workers informed of changes affecting the organization; and allowing workers to become knowledgeable of many job areas within the organization. Secondly, employees must feel they have control over work outcomes. This is achieved by limiting bureaucratic rules and regulations, enriching work by delegating real responsibilities, and creating semi-autonomous work teams that set their own goals and are held accountable for results.

Tom Peters' concept of Management by Wandering Around involves the leader or manager paying attention to workers, listening to their concerns, and demonstrating through symbolic actions that they care about excellence. He or she participates as part of the work team, gathering information about how processes and people relate for success so that faults are corrected before damage is done. Overall, the leader performs the role of facilitator, liberator, and coordinator. He or she has a working understanding of key management concepts, including planning, organizing, staffing, directing, coordinating, reporting and budgeting. Finally, he or she concentrates on effectiveness in the use of resources

to obtain desired program results.

Conclusion

Public institutions in Tanzania are public-owned and State-controlled. As a result, they have been fully dependent on Government as the primary resource provider. In light of the changed role of the State and its declining resource base to maintain funding levels needed by public institutions, there must be a change in attitudes on the part of public institutions to become more competitive and self-reliant by locating new funding sources to support their organizational activities in the future.

Secondly, this study observes that the necessary conditions within public institutions in general, and UDSM in particular, are lacking for revenue enhancement and cost reduction. The necessary conditions include changing the organizational structure by decentralizing power and authority; adopting a management style that recognizes workers as important contributors to organizational success; and institutionalizing a framework to facilitate the initiation of relevant programs which are customer-oriented.

Thirdly, this study argues that cost reduction at UDSM is a long-term goal to be realized through change of attitudes among management and workers and improving operational practices. These include strategic planning; alternative service delivery, such as allowing private groups to

participate in offering cafeteria services so that the University's Cafeteria Department can effectively compete; and an internal budgeting policy that creates incentives for cost-saving. Financial reports at the end of each fiscal year should be a requirement of all departmental heads and outstanding performance in budget execution should receive due recognition.

Finally, this study maintains that regardless of what revenue enhancement and cost reduction strategies are chosen by the University of Dar es Salaam, their success will depend on enlightened leadership and empowered workers. Combined efforts by the university's leaders and workers will strive for organizational excellence through which valued customers will be attracted and retained and revenue enhancement will occur.

CHAPTER 6

OBSERVATIONS AND RECOMMENDATIONS

Introduction

This study set out to evaluate the financial problems being experienced by the University of Dar es Salaam (UDSM) with a view to making recommendations for revenue enhancement and cost reduction in the future. To make this study meaningful, the author found it necessary to display the development stages Tanzania has gone through since independence in 1961 and to assess their relevance to the financial and other operational problems existing in the UDSM.

Two distinct development phases with differing conditions were described: (1) the period between 1961 and 1980; and (2) the period from 1980 to the present (1994). During the first phase, the country underwent changes involving political consolidation for national identity under one-party democracy and a centrally controlled economy by the State based on socialist principles. The guiding ideology was "socialism and self-reliance" derived from "African Socialism."

The second phase of development, which runs to the current time, has been characterized by serious economic crisis in developing countries, Tanzania included. This crisis resulted in part from the earlier decades of government

expansion and economic stagnation. While the identified problems were common to all developing countries, they had differing impacts. In Tanzania, the accumulation of external debt and rising cost of living due to inflation led to severe budget cuts by the State. Public institutions and citizens were adversely impacted due to reduced funding and the requirement to pay for social services, respectively.

The Problems and Changes of the 1980s

Of immediate relevance to the problems being faced by Tanzania's public institutions, and the UDSM in particular, are the policy reforms of the 1980s which were forced on the country by both internal and international pressure. The said policy reforms constitute fundamental changes in the political and economic systems in Tanzania. These changes have had macro and micro impacts necessitating redefinition of relationships between the State, public institutions, and citizens.

Political and economic changes taking place in Tanzania during the first phase of development were constantly communicated by the ruling party and government to the general public. Hence, the public was kept informed and educated on their roles and expectations. This has not been the case with the drastic changes involved in the policy reforms of the 1980s. As a result, the general population is left to guess as to what their roles and expectations should be under the

newly instituted changes.

In order for policy reforms to be successfully implemented, it is essential that public institutions, private companies, and citizens be made fully aware of the implications of the country's change from one-party democracy to multi-party democracy, and the liberalization of the economy based on a free market philosophy. The entire population has to be educated on the workings of the new political and economic systems.

Government Involvement in Public Institutions

The major observation in Chapter 3 is that the role of the State is evolving in Tanzania. This has important consequences for the Government, public institutions, and citizens. The shift in the role of the State from the distribution of development benefits to the distribution of development costs to society has created fundamental changes in the governance system, government-public institutions relationships, government-citizen relationships, and responsibilities for all the parties. It has changed old attitudes and habits for government, public institutions, and citizens. These new relationships, responsibilities and expectations should be clearly outlined by the leadership so as to leave no doubt about the part to be played by all concerned parties.

In light of the changes which have taken place in

Tanzania, the Government needs to be more creative and vigilant in creating favourable environments by introducing desirable policies to stimulate private and individual initiatives for national economic development. Specific ideas proposed by this study, derived from Reinventing Government, are "Community-owned government" and "Catalytic government." These concepts require governments to empower their people to be self-reliant rather than solely depending on government for the delivery of services. Government is called upon to explore possibilities within the entrepreneurial spirit with a view to investing more rather than spending more.

In order to be more effective in current times of rapid changes, governments have to row less and do more steering to give the people the chance to row the boat. This means that citizens must have the chance to be more creative in seeking innovative ideas to improve their lives. Public institutions need to be given more autonomy and discretionary powers to shape and control their own activities. It is the view of this study that governments should strive to be more proactive in the future so that they can try as much as possible to shape changes and make their people beneficiaries of change rather than victims of change.

Revisiting the Mission of the University and Its Place in Tanzania's Society

Chapter 4 sought to examine the UDSM's mission to establish whether the policy reforms necessitate refocusing of

its mission to accommodate changing needs. While the Reforms of the 1980s may mean change of mission for some public institutions in Tanzania, this is not the case for UDSM. Its mission is embodied in the national policy on education. Its role is to supply the country with the high level manpower for the various sectors of the economy. Hence, its role in Tanzania's society remains the same. Whatever the political and economic system in use in any society, the development of skilled manpower, including high level personnel, remains the central mission of the university.

However, the University's current organizational objectives were formulated when Tanzania was pursuing socialist principles. These now need to be revised to accommodate the newly introduced political and economic changes. Its efforts in running seminars for different groups in the country to educate them on the changes which have taken place as well other topics of interest to the members of the public may be instrumental in promoting its recognition by the public which is vital for its future survival.

The University needs to clarify its relationship with Government in terms of funding, and it must establish alternative fundraising programs rather than expecting adequate funding from Government when it is no longer capable of providing it. In light of the changed role of the State, UDSM needs to broaden its relationships with other public corporations, private organizations, and individuals with

regard to establishing new funding sources to augment the meagre government grants.

Revenue Enhancement and Cost Reduction Strategies

The University of Dar es Salaam has primarily depended on Government funding to meet recurrent expenditure, capital development, and maintenance and rehabilitation of facilities. As a result, the budget cuts by Government have had adverse effects on its operations.

The study observed that the conditions for revenue enhancement and cost reduction do not currently exist in the UDSM. Two major factors are a hindrance to such an environment. The first one is lack of committed leadership in terms of identifying with the workers and their uncertain tenure. The selection procedure currently used for appointing top leaders at the University does not involve the University community. Their tenures are also erratic in that the appointing authority can remove them at will. This procedure is part of the law which established the University. Hence, the workers have no powers to decide on who should hold the top positions. This law ought to be amended so that the University can participate in selecting qualified and committed leaders with tenures that can create the commitment and dedication needed for long-term planning for the University.

The second factor is the organizational structure and management style at the UDSM. The University's administration

is highly centralized, affording very few powers to Deans and Directors. The author is of the view that revenue enhancement and cost reduction strategies must be implemented by the University as a conscious routine in its operations at all levels. In the past, waste and expensive alternatives of resource utilization have imposed high costs on the UDSM. The centrally controlled management has not encouraged entrepreneurial spirit among the workers. They have felt alienated from important decisions with little authority and control over resources. This state of affairs can be greatly altered if the workers are more empowered to liberate their talents in the pursuit of excellence in performing their duties.

This study recommends decentralizing the university structure and delegating real authority and responsibility to the deans and directors. The main concepts suggested for adoption are "Decentralized Government" and "Customer-Driven Government" drawn from Reinventing Government, and "Management by Wandering Around" from A Passion for Excellence. The implications of decentralization have been explained above. "Customer-driven Government" entails dedication to identifying, serving, and treating customers well. It is accomplished through Total Quality Management (TQM) and constantly measuring performance by monitoring the results achieved by workers. Management should also institute methods of getting feedback from customers on the quality of the

service they receive.

This study maintains that leadership and leadership style can shape the attitudes of employees and positively impress customers. The suggestion made in this regard is that leaders at UDSM should practice "Management by Wandering Around (MBWA)" as an effective method of motivating workers and becoming part of the different work-teams within the organization. Workers value recognition of their contributions in the workplace and an effective way of creating ownership among them is constant caring, listening, paying attention, offering support, and rewarding and celebrating success.

Commitment and creativity in the adoption of these three concepts, namely, decentralized government, customer-driven government, and management by wandering around, will build a motivated workforce, establish a reliable pool of satisfied customers and, ultimately, create a favourable environment for constantly locating new funding sources for revenue enhancement at UDSM. Cost reduction will result from changed attitudes of a motivated workforce committed to efficient and effective resource utilization for the achievement of excellence in executing their duties at the UDSM.

The author is of the view that regardless of what revenue enhancement and cost reduction strategies are chosen, including those suggested in Chapter 5, their success will depend on enlightened leadership and empowered workers.

Hence, organizational success must coincide, among other things, with success in revenue enhancement and cost reduction at the University of Dar es Salaam.

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APPENDIX

THE UNIVERSITY OF DAR ES SALAAM
ACT, 1970
ACT NO.12 OF 1970

**THE UNIVERSITY OF DAR ES SALAAM
ACT, 1970
ACT NO. 12 OF 1970
1 ASSENT**

**J.K. NYERERE, President
18TH JUNE, 1970**

An Act to establish the University of Dar es Salaam and to provide for Matters connected therewith and Incidental thereto.

(1st JULY, 1970)

ENACTED by the Parliament of the United Republic of Tanzania.

**PART I
PRELIMINARY**

- 1. This Act may be cited as the University of Dar es Salaam Act, 1970 and shall come into operation on 1st July, 1970.**
- 2. In this Act, unless the context otherwise requires: "academic staff" shall have the meaning assigned to that term by section 22; "administrative staff" shall have the meaning assigned to that term by section 26;
"appointing authority" in relation to any member of the Council means the person or body of persons by whom such member was appointed or elected to the Council;
"appointment" in relation to the staff of the University, means as appointment of a person to the academic staff or the administrative staff of University and includes an appointment on promotion or transfer, and also includes an acting appointments;
"Appointment Committee" means, in relation to an appointment to the academic staff or any matter relating to a member of the academic staff the Committee established by section 16, and in relation to an appointment to the administrative staff or any matter relating to a member of the administrative staff, the Committee established by section 17;
"Board" means a Board or a committee established under and in accordance with the provisions of section 18 and includes an Appointments Committee, a Faculty Board, the Appeals Committee established by section 38 and the University Grants Committee established by section 56;
"the Chairman" means the Chairman of the Council; "the Chief**

Academic Officer” means the Chief Academic Officer appointed under section 9;

“the Chief Administrative Officer” means the Chief Administrative Officer appointed under section 10;

“constituent college” means a college established under section 55;

“the Convocation” means the Convocation established by section 42; “the Council” means the council of the University of Dar es Salaam established by section 11; “Dean” means the Dean of a Faculty; “Director” means a Director of an Institute;

“Faculty” means a Faculty of the University established by or in accordance with the provisions of section 21;

“Faculty Board” means a Faculty Board established in accordance with section 15; “Institute” means an Institute established by or under section 21; “Financial Year” means, subject to the provisions of section 50, the period of twelve months commencing on 1st July in any year and expiring on 30th June in the following year; “Member” in relation to:

- (a) the Council, means a member of the Council and includes the Chairman;**
- (b) a Board, means a member of the Board and includes the chairman of the Board;**
- (c) the Senate means a member of the Senate and includes the chairman of the Senate;**
- (d) the Convocation and includes the President of the Convocation.**

“officer” means any person in the employment of the University but does not include the Vice-Chancellor, the Chief Academic Officer or the Chief Administrative Officer; “regulations means regulations made under section 57;

“salary” includes any overseas pay addition but does not include any allowance or other monetary benefit; “the Secretary” means the officer appointed by the Council to be the Secretary of the Council; “the Senate” means the Senate of the University established by section 19;

“student” means any person admitted to the University as a candidate for a degree, diploma, certificate or other award of the University; “the Students’ Organization” means an organization approved by the Chancellor as being an organization representative of the students of the University; “the University”

means the University of Dar es Salaam established by section 3;
"Vice-Chancellor" means the Vice-Chancellor of the University appointed under section 8.

PART II

UNIVERSITY OF DAR ES SALAAM

3. (1) There is hereby established a University to be known as the University of Dar es Salaam.
 - (2) The University shall be a body corporate and shall:
 - (a) have perpetual succession and common seal;
 - (b) in its corporate name, be capable of suing and being sued;
 - (c) be capable of purchasing and otherwise acquiring, and of alienating, any movable or immovable property;
 - (d) have power from time to time to borrow such sums as it may require for its purposes.
4. The objects and functions of the University shall be:
 - (a) to preserve, transmit and enhance knowledge for the benefit of the people of Tanzania in accordance with the principles of socialism accepted by the people of Tanzania;
 - (b) to create a sense of public responsibility in the educated and to promote respect for learning and pursuit of truth;
 - (c) to prepare students to work with the people of Tanzania for the benefit of the nation;
 - (d) to assume responsibility for University education within the United Republic and to make provision for places and centres of learning, education, training and research;
 - (e) to co-operate with the Government of the United Republic and the peoples of Tanzania in the planned and orderly development of education in the United Republic;
 - (f) to stimulate and promote intellectual and cultural development of the United Republic for the benefit of the people of Tanzania;
 - (g) to conduct examinations for, and to grant, degrees, diplomas, certificates and other awards of the University.

PART III

AWARDS OF DEGREES, DIPLOMAS, ETC.

5. It shall be lawful for the University:
 - (a) to confer the degrees of Bachelor, Master, Doctor and such other degrees as may be prescribed;
 - (b) to grant diplomas or certificates or other awards:
 - (i) to persons in respect of courses of study provided by the University and approved by the Senate; or
 - (ii) to persons who, in the opinion of the Senate, are entitled to receive such diplomas, certificates or other awards.
6. The provisions of section 5 shall apply respectively to the degree of Master or Doctor honoris causa which the Senate, with the approval of the Chancellor, may wish to confer upon any person who, in the opinion of the Senate, has rendered distinguished service in the advancement of any branch of learning or has otherwise rendered himself worthy of such a degree.

PART IV

ADMINISTRATION

- (a) The Chancellor and Other Senior officers
7. (1) The President of the United Republic shall be the Chancellor of the University of Dar es Salaam.
 - (2) The Chancellor shall be the head of the University and shall, in the name of the University, confer all degrees.
 - (3) The Chancellor shall have such other functions as are conferred upon him by this Act.
8. (1) There shall be a Vice-Chancellor of the University who shall be appointed by the Chancellor.
 - (2) The Vice-Chancellor shall hold office for such period and on such terms and conditions as the Chancellor may determine.
 - (3) The Vice-Chancellor shall be the principal executive officer of the University and shall be responsible to the Council for the implementation of the decisions of the Council.
 - (4) The Vice-Chancellor shall have such other functions as are conferred upon him by this Act or as may be prescribed.

9. (1) There shall be a Chief Academic Officer of the University who shall be appointed by the Chancellor after consultation with the Vice-Chancellor.
 - (2) The Chief Academic Officer shall hold office for such period and on such terms and conditions as the Chancellor may determine.
 - (3) The Chief Academic Officer shall be responsible to the Vice-Chancellor in relation to all matters pertaining to the academic activities of the University.
 - (4) The Chief Academic Officer shall have such other functions as are conferred upon him by this Act or as may be prescribed.
10. (1) There shall be a Chief Administrative Officer of the University who shall be appointed by the Chancellor after consultation with the Vice-Chancellor.
 - (2) The Chief Administrative Officer shall hold office for such period and on such terms and conditions as the Chancellor may determine.
 - (3) The Chief Administrative Officer shall be responsible to the Vice-Chancellor in respect of all administrative matters pertaining to the University.
 - (4) The Chief Administrative Officer shall have such other functions as are conferred upon him by this Act or as may be prescribed.
- (b) The Council
11. (1) There shall be a Council of the University of Dar es Salaam which shall be composed of:
 - (a) a Chairman who shall be appointed by the Chancellor;
 - (b) the Vice-Chancellor who shall be an ex-officio member;
 - (c) seven members who shall be appointed by the Chancellor, two of whom shall be appointed after consultation with the Vice-Chancellor;
 - (d) three members who shall be appointed by the Minister for the time being responsible for Education;
 - (e) one member who shall be appointed by the Minister for the time being responsible for Finance;
 - (f) one member who shall be appointed by the Minister for the time being responsible for Economic Affairs and Development Planning.

- (g) one member who shall be appointed by the Executive Council of the National Union of Tanganyika Workers established by the National Union of Tanganyika Workers (Establishment) Act, 1964;
- (h) two members who shall be appointed by the Halmashauri Kuu (the General Committee) of the Co-operative Union of Tanganyika Limited;
- (i) three members who shall be elected by the National Assembly from amongst the members of the National Assembly;
- (j) three members who shall be elected by the Senate
- (k) one member who shall be elected by the Convocation;
- (l) five members who shall be elected by the Student's Organization

(2) The provisions of the First Schedule to this Act shall have effect as to the tenure of office of the members of the Council, termination of their appointment, the proceedings of the Council and other matters in relation to the Council and its members provided for in the said Schedule.

12. (1) Subject to the provisions of this Act, the government and control of the University shall be vested in the Council
- (2) In particular and without prejudice to the generality of sub-section (1) the Council shall have power:
- (a) to administer the properties of the University, both movable and immovable;
 - (b) to administer the funds and other assets of the University;
 - (c) to signify the acts of the University by use of the common seal;
 - (d) on behalf of the University to receive gifts; donations, grants or other moneys and to make disbursements therefrom to the Faculties, institutes, constituent colleges or to other persons or bodies;
 - (e) subject to the provisions of this Act, to appoint such officers of the University as it may deem necessary;
 - (f) to do all such other acts and things as may be provided for in this Act or as may be prescribed.

* National Union of Tanganyika Workers should be construed as JUWATA Ref. Act No. 24, S. 10, Sub-S. 3, 1979

13. (1) The Council shall appoint a suitable person to be the Secretary to the Council and may appoint such number of officers to assist him as the Council may consider necessary.
 - (2) Where the Secretary is not a member of the Council, he shall have no power to vote at any meeting of the Council.
 - (3) Subject to the provisions of this section the Secretary shall have such functions as may be conferred upon him by the Council.
14. No act or proceeding of the Council shall be invalid by reason only of the number of the members not being complete at the time of such act or proceeding or of any defect in the appointment of any member of the Council or the fact that any member of the Council was at the time in question disqualified or disqualified to act as such.

(c) Boards and Committees

15. (1) There shall be established in respect of each Faculty, a Faculty Board.
- (2) Every Faculty Board established for a Faculty shall be composed of:
 - (a) the Dean of that Faculty who shall be chairman;
 - (b) not more than fifteen members appointed by the Chief Academic officer from amongst the academic staff assigned to that Faculty;
 - (c) not more than three other members appointed by the Senate;
 - (d) five members elected to the Faculty Board by the Students in the Faculty for which the Board is established.
- (3) Every Faculty board shall, subject to the general or specific direction of the Senate, have power, from time to time:
 - (a) to review and make recommendations to the Senate in respect of the control and regulation of the instruction, education and research within the Faculty;
 - (b) to make recommendations to the Senate on any matter pertaining to the Faculty;
 - (c) to do any other act or thing as it may be empowered to do by the Senate or by or under any provision of this Act

- (4) A Faculty Board:**
- (a) may, subject to any direction of the Senate, meet at such intervals as it considers necessary;**
 - (b) shall act in accordance with the directions of the Senate and shall report on its functions and actions to the Senate in such manner and at such intervals as the Senate may direct;**
 - (c) subject to the directions of the Senate, may regulate its own proceedings and fix a quorum for its meetings.**
- 16. (1) There shall be an Appointments Committee for the Academic Staff which shall be composed of:**
- (a) the Vice-Chancellor, who shall be the chairman;**
 - (b) the Chief Academic Officer, who shall be the Vice-Chairman;**
 - (c) the Chief Administrative Officer,**
 - (d) one member appointed by the Vice-Chancellor;**
 - (e) two members appointed by the Chairman of the Council from amongst the members of the Council;**
 - (f) two members elected by the Senate from amongst its members.**
- (2) Where the Appointments Committee meets to make or approve any appointment, in addition to the persons specified in subsection (1), the following persons shall be entitled to sit on the Committee as temporary members:**
- (a) the Dean, if any, of the Faculty to which the appointment is to be made;**
 - (b) where the appointment is to be made to a Department of a Faculty the Head of such Department;**
 - (c) where the appointment is to be made to an institute, the Director of the institute; and**
 - (d) two members appointed by the Vice-Chancellor from amongst persons who, in the opinion of the Vice-Chancellor, are adequately qualified or have enough experience in academic matters to enable them to assist in making a suitable appointment.**
- (3) The Appointments Committee shall have such functions as may be conferred upon it by or under this Act or as may be delegated to it by the Council.**
- (4) The provisions of the First Schedule to this Act shall apply mutatis mutandis in relation to the tenure of office of the**

- members of the Appointments Committee appointed under paragraphs (d), (e) and (f) of sub-section (1), their retirement, the right to terminate their appointment, and appointment of a new member to fill any vacancy, and also in relation to the election of a temporary chairman, the quorum, proceedings and meetings of the Committee.
17. (1) There shall be an Appointments' Committee for the Administrative Staff which shall be composed of:
- (a) the Vice-Chancellor, who shall be the chairsmn;
 - (b) the Chief Administrative Officer, who shall be the Vice-Chairman;
 - (c) two members appointed by the Vice-Chancellor;
 - (d) two members appointed by the Chairman of the Council from amongst the members of the Council.
- (2) The Appointment Committee shall have such functions as may be conferred upon it by or under this Act or as may be delegated to it by the Council
- (3) The provisions of the First Schedule to this Act shall apply mutatis mutandis in relation to the tenure of office of the members of the Appointments Committee appointed under paragraph (c) and (d) of sub-section (1), their retirement, the right to terminate their appointment, and appointment of a new member to fill any vacancy, and also in relation to the election of a temporary chairman, the quorum, proceedings and meetings of the Committee.
18. (1) The Council may, from time to time, appoint such other Boards and committees as it may consider necessary and, subject to the provisions of this Act and directions given by the Chancellor in that behalf, delegate to any such Board or committee any of its functions under this Act.
- (2) A Board or committee appointed under this section shall be composed of such number of members as the Council may determine and such members shall be appointed by the Council; Provided that at least one-third of the total number of members appointed to any such Board or committee shall be appointed from amongst the members of the Council.
- (3) The quorum necessary for the conduct of any business of any Board or committee appointed under this section shall be fixed by the Council.

- (4) Where the Council establishes a Board or committee under this section, the Council shall elect one of its members to be the chairman of the Board or, as the cases may be, of the committee.
- (5) Where at any meeting of a Board or committee established under this section the chairman is absent, the members present may elect one of their number to be the chairman for that meeting.
- (6) Subject to the provisions of this Act and any regulations made hereunder in that behalf, and subject to any directions given by the Council in that behalf, a Board or committee established under this section may regulate its own proceedings.
- (6) For the purposes of this section the Chief Academic Officer; the Chief Administrative Officer and the Secretary shall be deemed to be members of the Council.

(d) The Senate

- 19. (1) There shall be a Senate of the University of Dar es Salaam which shall be composed of:
 - (a) the Vice-Chancellor, who shall be the Chairman;
 - (b) The Chief Academic Officer, who shall be the Vice-Chairman
 - (c) the Chief Administrative Officer
 - (d) the Deans of the Faculties of the University
 - (e) two members appointed by the Chairman of the Council from amongst the members of the Council;
 - (f) the Directors of the institutes;
 - (g) six members appointed by the Vice-Chancellor at least three of whom shall be appointed from amongst the members of the academic staff;
 - (h) the Heads of the departments of the Faculties;
 - (i) three members elected by the Students' Organization from amongst the students.
- (2) The provisions of the First Schedule to this Act shall apply mutatis mutandis in relation to the tenure of office of members elected under paragraphs (g) and (h) of sub-section (1), their retirement, the right to terminate their appointment and the appointment of a new member to fill any vacancy, and also in relation to the election of temporary chairman, quorum, proceedings and meetings of the Senate.

20. (1) The Senate shall be responsible to the Council for control and general regulation of the instruction, education and research within the University and in addition thereto shall have the following functions:
- (a) to satisfy itself regarding the content and academic standard of any course of study offered by any Faculty, Institute or Constituent college of the University in respect of a degree, diploma, certificate or other award of the University and to report its findings thereon to the Council;
 - (b) with the consent of the Council to make by-laws;
 - (i) regarding the eligibility of persons for admission to courses for a degree, diploma, certificate or other award of the University, and for the obtaining of any degree, diploma, certificate or other award of the University;
 - (ii) with regard to the standard of proficiency to be attained in each examination for a degree, diploma, certificate or other award of the University.
 - (c) to decide whether any candidate for a degree, diploma, certificate or other award of the University has attained the standards of proficiency prescribed in the by-laws made under paragraph (b) and is otherwise fit for the grant of such degree, diploma, certificate or other award of the University;
 - (d) to consider recommendations made to it by a Faculty Board and to take such action thereon as it may consider appropriate;
 - (e) to make proposals to the Council on matters relating to the conduct of the University generally;
 - (f) to perform such other functions as may be conferred upon it by regulations made hereunder or by the Council.
- (2) In respect of any matter in relation to which the Senate is required to report to the Council or to make by-laws in accordance with the provisions of paragraphs (a) and (b) of sub-section (1), the Council shall not initiate any action in respect thereto until such report has been received from the Senate or, as the case may be, such by-laws have been

made by the Senate, and shall not reject any such report of by-laws without further reference to the Senate.

(e) Faculties, Departments and Institutes

21. (1) There shall be established the following Faculties of the University:
- (a) the Faculty of Law;
 - (b) the Faculty of Medicine;
 - (c) the Faculty of Arts and Social Sciences;
 - (d) the Faculty of Agriculture
 - (e) the Faculty of Science
 - (f) the Faculty of Engineering.
- (2) The Faculty Board of a Faculty may, with the approval of the Senate, establish such number of departments within the Faculty as the Board may consider necessary.
- (3) There shall be established the following institutes of the University:
- (a) the Adult Education Institute 1
 - (b) the Institute of Education 2
 - (c) the Institute of Kiswahili Research
- (4) The Council may, from time to time, after consultation which the Senate and with the approval of the Chancellor, by order published in the Gazette, establish Faculties and Institutes either in addition to, or in substitution of, the Faculties and Institutes established by or under this Act and may disestablish any Faculty or Institute.
- (5) The course of study to be conducted in any Faculty, Department or Institute, shall be determined by the Senate.
- (f) The Staff of the University**
22. The academic staff of the University shall be comprised of:
- (a) the Chief Academic Officer;
 - (b) the Deans of the Faculties;
 - (c) the Directors of the Institutes;
 - (d) the Professors;
 - (e) the Lecturers;
 - (f) the Assistant Lecturers.
- and such other members of the staff of the University who are engaged wholly or partly in teaching in any Faculty or Institute.

• Act No. 6 of 1984 which established Sokoine University of Agriculture and de-established Faculty of Agriculture, University of Dar es Salaam.

23. (1) **The Dean of a Faculty or a Director of an Institute shall be appointed by the Council with the approval of the Chancellor in accordance with the provisions of this section.**

(2) **Where a vacancy occurs in the office of the Dean of Faculty or a Director of an Institute, the Chief Academic Officer shall, after consultation with the Senate and having regard to the recommendations, if any, made by the Faculty Board, submit to the Council the names of not more than three and not less than two persons who, in his opinion, are qualified and suitable for appointment as the Dean of that Faculty or, as the case may be as the Director of that Institute:**

Provided that for the purposes of the appointment of the Deans and the Directors to be first appointed after the coming into operation of this Act, it shall not be necessary for the Chief Academic Officer to consult the Senate before submitting the names to the Council.

(3) **Where names are submitted to the Council in accordance with the provisions of sub-section (2) the Council shall proceed to elect a Dean or as the case may be, a Director from amongst the persons whose names are submitted to it.**

(4) **Where the Council has elected a Dean or as the case may be, a Director, it shall submit the name of the person who is so elected, together with the names of other persons submitted to it by the Chief Academic Officer, to the Chancellor and the Chancellor may approve or disapprove of the appointment of the person elected by the Council.**

(5) **Where the Chancellor disapproves the appointment of the person elected by the Council, he shall notify the Council of his decision, and the procedure prescribed by this section for the appointment of a Dean or a Director shall commence de novo:**

Provided that the Chief Academic Officer shall not re-submit to the Council for election the name of the person whose appointment as a Dean or, as the case may be, a Director, has been disapproved by the Chancellor.

(6) **Every Dean or Director appointed in accordance with the provisions of this section shall subject to the provisions of this Act, hold office for a period of three years from the date of his appointment and shall be eligible for re-appointment.**

24. (1) The Appointments Committee shall have power to make appointments to all offices of the academic staff other than the offices of the Chief Academic Officer, the Deans and the Directors.
- (2) The Appointments Committee may delegate its powers under sub-section (1) in relation to any office, to the Vice-Chancellor, the Chief Academic Officer, a Dean or a Director.
25. (1) Where a vacancy occurs in any senior post on the academic staff or when the holder of such post is on leave or is absent from the United Republic or is temporarily unable to perform the functions of his office by reason of illness or other cause whatsoever, the Vice-Chancellor may, if in his opinion it is necessary or desirable so to do, appoint an officer to act in such post until such time as the vacancy is filled in accordance with the provisions of this Act or as the case may be, the substantive holder of the post resumes duty.
- (2) While on acting appointment made under subsection (1), the officer so appointed may be paid an acting allowance at such rate as the Vice-Chancellor may direct.
26. The Administrative staff shall be comprised of:
 - (a) the Chief Administrative Officer,
 - (b) the Bursar
 - (c) the Dean of Students; and
 - (d) all other officers of the University who are not members of the academic staff.
27. The powers of constituting and abolishing offices in the service of the University are vested in the Council. Provided that nothing in this section shall apply to any office constituted by or provided for in this Act.
28. The powers of making appointments to the offices of the administrative staff, other than the office of the Chief Administrative Officer, are vested in the Council.
29. The powers of dismissing or terminating the appointments of any officer by way of disciplinary action or of punishing any officer otherwise than by dismissal or termination of his appointment for any disciplinary offence are vested in the Council.

30. The Council may, by regulations made under section 57, delegate all or any of the powers vested in it by section 27, section 28 and section 29 to the Appointments Committee, the Vice-Chancellor, the Chief Academic Officer, the Chief Administration Officer or any other officer of the University, subject to such limitations as the Council may specify.
31. Until such time as regulations are made by the Council delegating its functions of making appointments to the administrative staff, the provisions of the Second Schedule to this Act shall have effect.
32. Notwithstanding the provisions of section 29, the power to dismiss an Officer of the University by way of a disciplinary action shall not be exercised unless:
 - (a) a disciplinary charge has been made against such Officer; and
 - (b) the Officer has had an opportunity to answer such charge; and
 - (c) an inquiry has been held into the charge in accordance with the provisions of the regulations made by the Council in that behalf.
33. The terms and conditions of the employment of Officers of the University shall be such as may be prescribed.

PART V DISCIPLINE

34. In this part, unless the context otherwise requires
“disciplinary authority” means the Chief Administrative Officer exercising the powers conferred upon him by section 36 and includes any person to whom such powers have been delegated in accordance with section 37;
“disciplinary offence” means the contravention of any by-law made under the provisions of section 35 where such by-law provides that its contravention shall constitute a disciplinary offence.
35. (1) The Council may make by-laws to ensure discipline amongst the students.

- (2) By-laws made under sub-section (1) may provide that the contravention of any such by-law shall constitute a disciplinary offence and may further provide the punishment that may be imposed for such disciplinary offence.
- (3) It shall not be necessary for the by-laws made under this section to be published in the Gazette but every such by-law shall be brought to the notice of the students in such manner as the Council may determine.
36. Every charge of a disciplinary offence against a student shall be investigated by the Chief Administrative Officer who shall impose such punishment as he may consider appropriate upon being satisfied that the charge against the student has been proved.
37. The Chief Administrative Officer may by writing under his hand, delegate, subject to such limitations as he may prescribe, all or any of the powers vested in him by section 36 to the Registrar, the Dean of Students or a Dean of a faculty.
38. (1) The Council shall establish a Committee to be known as the Appeals Committee.
- (2) The Appeals Committee shall be composed of 4:
- (a) a chairman who shall be appointed by the Minister for the time being responsible for National Education.
 - (b) four members elected by members of the Council from amongst themselves, one of whom shall be a member elected to the Council by the students organization.
 - (c) a legally qualified person holding office in the Attorney-General's chambers nominated in that behalf by the Attorney General.
 - (d) one member nominated by the Attorney-General.
- (3) The quorum for the meeting of the Appeals Committee shall be the chairman or the Vice-Chairman and four other members.
- (4) The provisions of the First Schedule to this Act shall apply mutatis mutandis in relation to the tenure of office of the members of the Appeals Committee, their retirement, the right to terminate their appointment, and appointment of a new member to fill any vacancy, and also in relation to the proceedings and meetings of the Committee.

39. (1) Where a student has been punished for any disciplinary offence he may appeal to the Appeals Committee within thirty days of the disciplinary authority.
- (2) Every appeal under this section shall be by way of a memorandum submitted to the Appeals Committee.
- (3) On every appeal under this section the student appealing shall have a right to appear before and be heard by the Appeals Committee.
- (4) On an appeal under this section the Appeals Committee may:
- (a) set aside the finding made against the student and the punishment imposed upon him; or
 - (b) uphold the finding and the punishment imposed; or
 - (c) uphold the finding and reduce or enhance the punishment imposed upon the student.
40. Subject to the provisions relating to appeals to the Appeals Committee, no decision of a disciplinary authority or of the Appeals Committee under this Part shall be subject to review by any court.
41. For the purpose of section 38 of the Interpretation and General Clauses Ordinance disciplinary offences shall be deemed not to be offences created by or under any written law.

PART VI

CONVOCATION

42. (1) There shall be a Convocation of the University of Dar es Salaam which shall consist of:
- (a) the Vice-Chancellor;
 - (b) the Chief Academic Officer;
 - (c) all Members of the Academic Staff;
 - (d) all persons who are graduates of the University of East Africa established by the University of East Africa Act, 1962, and all persons who become graduates of the University of Dar es Salaam; provided that no such graduate shall become a member of the Convocation unless he is ordinarily resident in the United Republic;
 - (e) such persons as the Chancellor may appoint as members of the Convocation.

- (2) The Chief Administrative Officer shall cause to be compiled and maintained a Convocation Roll in which he shall enter the names of all the persons who are, for the time being, members of the Convocation.
43. The Convocation shall have the right to meet and discuss any matter within the sphere of competence of the University and to transmit any resolution arising from such discussion to the Chancellor or to the Council or to the Senate, as the Convocation may consider appropriate.
44. (1) The Convocation shall at its first meeting elect from amongst its number a President.
- (2) The President shall, subject to his continuing to be qualified to be a member of the Convocation and unless he sooner dies or resigns, hold office for a period of three years and shall be eligible for re-election.
45. (1) The Chief Administrative Officer shall be the Secretary of the Convocation.
- (2) The Convocation shall meet at such times as may be necessary or expedient for the transaction of its business.
- (3) The Secretary shall give to every member of the Convocation at least twenty-one days' notice of the date, time and place of the meeting.
- (4) The President of the Convocation shall preside over the meetings of the Convocation.
- (5) Where at any meeting of the Convocation the President is absent, the members present may elect from amongst their number a temporary chairman who shall preside over that meeting.
- (6) Fifteen members shall constitute a quorum for a meeting of the Convocation.
- (7) A decision of the majority of the members present and voting at a meeting of the convocation shall be deemed to be a decision of the Convocation.
- (8) In the event of an equality of votes, the President or the temporary Chairman, as the case may be presiding over the meeting, shall have a casting vote in addition to his deliberative vote.
- (9) No proceeding of the Convocation shall be invalid by reason only of any defect in the appointment of any

member of the Convocation or by reason only of the fact that a person who is entitled to be a member of the Convocation has not been registered in the Convocation Roll.

46. (1) The Chief Administrative Officer shall report to the Council the activities of the Convocation and shall transmit to the Chancellor, the Council or the Senate, as the case may be, any resolution passed by the Convocation.
- (2) The Chief Administrative Officer shall send a copy of the minutes of every meeting of the Convocation to the Chancellor.

PART VII

FINANCIAL PROVISIONS

47. The Council shall manage all the assets and properties, movable and immovable, of the University, in such manner and for such purposes as in the opinion of the Council would promote the best interest of the University.
48. The funds and resources of the University shall consist of:
 - (a) such sums as may be provided for the purposes of the University by Parliament, either by way of grant or loan;
 - (b) such sums as the Council may, from time to time, borrow for the purposes of the University; and
 - (c) such sums as may in any manner become payable to or vested in the University either under the provisions of this Act or incidental to the carrying out of its functions.
49. The Council shall have power to invest the funds of the University in such investments, and subject to such conditions, as are prescribed by the Trustee investments Act, 1967, in relation to investment of funds by a trustee.
50. Notwithstanding the period specified in the definition "financial year" in section 2, the Council may determine any other period of twelve consecutive months which shall constitute the financial year of the University;
Provided that in the event of any change in the financial year and for the purposes of the transition from one financial year to another, the transitional period, whether of more or less than twelve months, shall be regarded as if it were a financial year.

51. (1) At least two months before the commencement of any financial year the Bursar shall prepare or cause to be prepared for the approval of the Council, annual estimates of the revenue and expenditure of the University for the ensuing financial year.
- (2) The Council shall, before the commencement of a financial year, consider and approve, subject to such modifications and amendments as it may consider appropriate, the estimates prepared in accordance with sub-section (1).
- (3) The annual estimates shall contain provision for all the estimated expenditure during the ensuring financial year and in particular;
- (a) for the payment of salaries, allowances, passages and other charges in respect of officers of the University including the Vice-Chancellor, the Chief Academic Officer and the Chief Administrative Officer;
 - (b) for the payment of allowance, fees and expenses in respect of the members of the Council, the Senate, the Convocation and other Boards and Committees;
 - (c) for the payment of all pensions, gratuities and other charges in respect of retiring benefits which are payable out of the funds of the University;
 - (d) for the construction, improvement, maintenance and replacement of any building or other immovable property of the University;
 - (e) for the proper maintenance and replacement of the furniture and equipment of the University;
 - (f) for the creation of such reserve funds to meet future contingent liabilities as the Council may think fit.
- (4) No expenditure shall be incurred for the purposes of the University except in accordance with the provisions of the annual estimates or in accordance with the provisions of any supplementary estimates approved by the Council.
- (5) A copy of the annual estimates and of every supplementary estimate, if any, shall, immediately upon the approval of such annual estimates or, as the case may be, the supplementary estimates, by the Council, be forwarded to the Chancellor.
52. (1) The Council shall cause to be kept proper accounts and shall, as soon as is practicable after the end of each financial

year, cause such accounts relating to such financial year together with:

- (a) a statement of income and expenditure during such financial year; and
 - (b) a statement of the assets and liabilities of University on the last day of such financial year, to be submitted to and audited by the Tanzania Audit Corporation established by the Tanzania Auditing Corporation Act, 1968.
- (2) Copies of the statements referred to in sub-section (1) and a copy of the auditor's report, if any, shall be forwarded to the Chancellor.
53. The Vice-Chancellor shall at the end of each financial year prepare a report on the activities of the University during that financial year and submit such report to the Chancellor.
54. The Chancellor shall cause to be laid before the National Assembly, as soon as may be practicable after he has received them:
- (a) copies of the statements referred to in sub-section (1) 52;
 - (b) a copy of the auditor's report, if any;
 - (c) a copy of the Vice-Chancellor's report.

PART VIII

CONSTITUENT COLLEGES

55. (1) The President may, after consultation with the Council, by order published in the Gazette:
- (a) establish any college as a constituent college of the University;
 - (b) declare any institution of learning, higher education or training established by or under any written law, or owned by Government or parastatal organization, to be a constituent college of the University or a Faculty or Institute of the University.
- (2) Where the President, by an order under subsection (1) establishes a constituent college or declares any institution to be constituent college, he may, in his capacity as the chancellor, appoint a Principal of such constituent college.

- (3) Where the President, by an order under subsection (1) declares any institution to be a constituent college, Faculty or Institute of the University he may:**
- (a) by the same or subsequent order make such provision for the administration of the constituent college, Faculty or Institute as he may consider appropriate and may modify any of the provisions of this Act so as to provide for the representation of such college, Faculty or Institute on the Council, the Senate or a Board;**
 - (b) by the same or subsequent order:**
 - (i) transfer the assets and liabilities of such institution to the University;**
 - (ii) transfer any person who is an employee of such institution to the service of the University.**
- (4) Where the President by an order under subsection (1) declares any institution to be a constituent college, Faculty or Institute of the University, he may, by the same or subsequent order, repeal or amend, as he may deem necessary, the written law, if any; by or under which such institution was established, and every such order repealing or amending such written law shall have the effect as if such repeal or amendment, as the case may be, were effected by this Act.**
- (5) Where by an order made under this section, the President vests any asset or liability of an institution in the University, the asset or liability to which such order relates shall, by virtue of such order and without further assurance, vest in the University.**
- (6) Where, by an order made under this section, the President transfers any employee of an institution to the service of the University:**
- (a) such employee shall, as from the date of such transfer, be deemed to be an employee of the University;**
 - (b) the terms and conditions of service applicable to such employee after such transfer shall be in accordance with this Act and the regulations; Provided that this paragraph shall not be construed so as to permit any reduction in the salary to which such employee was entitled immediately before his transfer;**

- (c) for the purposes of determining any right to gratuity or any other superannuation benefit, the service of such employee with the University shall be regarded as continuous with his service immediately preceding such transfer; and
 - (d) the employment of such employee immediately prior to his transfer and his employment by the University shall be deemed to be the continuous employment by one employer within the meaning of section 8A of the Severance Allowance Act, 1962, and that Act shall apply to the parties in the same manner as it applies to the cases set out in sub-section (1) of the said section 8A.
- (7) Where, by an order made under this section, the President vests any asset or liability of an institution in the University, he may make provision in respect of the transfer of the rights and liabilities of the institution to the University under any contract, guarantee, agreement, bond, authority, mortgage, charge, bill of exchange, promissory note, bank draft, bank cheque, letter of credit or any other security or instrument whatsoever and he may provide for the substitution of the University as the party thereto.
- (8) Where in the exercise of the powers vested in him by this section the President declares any institution to be a Faculty or an Institute of the University, such Faculty or Institute shall be deemed to have been established by section 21.
- (9) For the purpose of this section "parastatal organization" means:
- (a) a local authority;
 - (b) any body corporate established by or under any written law other than a company registered under the Companies Ordinance;
 - (c) Tanganyika African National Union construe Chama cha Mapinduzi, or anybody of persons, whether corporate or unincorporate, which is affiliated to the Tanganyika African National Union.
 - (d) any company registered under the Companies Ordinance the whole of the issued share capital of which is owned by the Government or a parastatal organization

or, in the event of such company being a company limited by guarantee, it has no member other than the Government or a parastatal organization, and references in this paragraph to a parastatal organization include references to any such company.

- (10) The President may, in any order made under this section, make such supplementary, transitional or consequential provisions as he may deem necessary or expedient to give effect to such order.

PART IX

MISCELLANEOUS PROVISIONS

56. (1) There shall be established a committee which shall be known as the University Grants Committee.
- (2) The University Grants Committee shall be composed of a chairman and not more than fifteen, and not less than five, members.
- (3) The chairman and the members of the University Grants Committee shall be appointed by the Chancellor.
- (4) The functions of the University Grants Committee shall be:
- (a) to advise the Government on all financial matters relating to the University;
 - (b) to advise the Council on matters relating to expenditure of the funds of the University and investment of such funds;
 - (c) to perform such other functions as may be conferred upon by the Chancellor.
- (5) The provisions of the First Schedule to this Act shall apply *mutatis mutandis* in relation to the tenure of office of the chairman and members of the University Grants Committee, their retirement, the right to terminate their appointment, the appointment of a new member to fill any vacancy, and also in relation to the appointment of a temporary chairman, the quorum, proceedings and meetings of the University Grants Committee.
57. (1) With the consent of the Chancellor the Council may make regulations for the better carrying out the purposes of this

Act, and without prejudice to the generality of the foregoing, may make regulations:

- (a) prescribing the degrees, diplomas, certificates and other awards which may be conferred or granted by the University;**
 - (b) prescribing the conditions which must be satisfied before the certificate or other award;**
 - (c) prescribing the manner in which a degree may be conferred or a diploma, certificate or other award may granted;**
 - (d) regulating the administration of any Constituent College, Faculty or Institute established by or under this Act;**
 - (e) prescribing the manner in which by-laws made by the Senate under section 20 shall be submitted to the Council for its approval;**
 - (f) regulating the conduct of examinations;**
 - (g) prescribing fees for admission to the University, a Constituent College, Faculty or Institute established by or under this Act;**
 - (h) prescribing fees payable by the candidates for any examination held or conducted by the University;**
 - (i) providing for and regulating disciplinary proceedings against the officers of the University;**
 - (j) prescribing anything which may be prescribed under this act;**
 - (k) governing any matter in respect of which regulations may be made under this Act;**
 - (l) providing for any matter or thing which, in the opinion of the Council, is necessary to provide for the furtherance of the functions and objects of the University.**
- (2) Regulations made under this section shall be published in the Gazette.**

58. The Council may, with the approval of the Chancellor, issue directions prescribing fees and allowances payable to the members of the Council, the Senate, the Convocation or a Board.

59. The Chancellor may give the Council directions of a general or specific character and the Council shall give effect to every such direction.

- 60. No matter or thing done by any member or officer of the Council, the Senate, the Convocation or a Board shall, if done bona fide in the execution or purported execution of the functions of such Council, Senate, Convocation or Board, as the case may be, render such member or officer personally liable for such matter or thing.**
- 61. No act or proceeding of the Senate or a Board shall be invalid by reason only of any vacancy in the membership thereof, or any defect in the appointment of any member or the fact that any member was at the time in question disqualified or disentitled to act as such.**
- 62. (1) The consequential and transitional provisions set out in the Third Schedule to this Act shall apply and have effect from the date on which this Act comes into operation.**
(2) The President may at any time before the thirty-first day of December, 1970, by order published in the Gazette, amend the provisions of the Third Schedule to this Act, if, in his opinion, such amendment is necessary or desirable.