

Inequalities and Structural Transformation in Tanzania*

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ABSTRACT *This article describes the various domains in which inequality manifests itself in Tanzania. It outlines the key drivers of inequalities as including wide income gaps, unemployment and a collusion between political and business elites that creates political capture and patronage, thus fuelling corruption and diverting resources from essential services. The article points out a correlation between access to education and income inequality, and highlights the fact that, despite marginal reduction in poverty, inequality is on the rise.*

KEYWORDS *drivers of inequality; Palma ratio; spatial inequalities; distribution; private sector*

Introduction

'Inequality is a violation of human dignity: it is a denial of the possibility for everybody's human capabilities to develop. It takes many forms, and it has many effects: premature death, ill health, humiliation, subjection, discrimination, exclusion from knowledge or from mainstream social life, poverty, powerlessness, stress, insecurity, anxiety, lack of self-confidence and of pride in oneself, and exclusion from opportunities and life chances. Inequality, then, is not just about the size of wallets. It is a socio-cultural order, which (for most of us) reduces our capabilities to function as human beings, our health, our self-respect, our sense of self, as well as our resources to act and participate in this world.' (Therborn, 2013)

The emergence of the inequalities agenda across the globe is at the centre of the current development debates and concerned citizens and communities around the world are increasingly coming together under this concern. Several campaigns and movements to fight inequalities show that globally the 85 richest people hold as much wealth as half of the world's population. Other movements include the 'leave no one behind' mantra of the 2030 Sustainable Development Agenda, the Pope's declaration that 'inequality was the root of all social evil' and President Obama's 2013 speech acknowledging that the gap between America's rich and poor had grown to record levels at time when upward social mobility had hit a record low. In East Africa (EA), disparities are even worse than global averages: the richest 1 percent owns as much wealth of the poorest 91 percent, which means the richest six individuals in EA own as much as half the region's population of 66 million people. However, an effort to ensure equitable economic growth requires massive social, economic and political changes. As it stands, inequalities condemn

millions of people to live in poverty. This article seeks to identify and capture key drivers of inequalities in various domains in the Tanzania context.

Drivers of inequality are neither absolute nor universal. Some common drivers include: unfair tax systems; corruption and illicit financial flows; unfair distribution of public investment and expenditure; unfair access to land; unfair access to capital, knowledge and technology; privatization; unfair access to information and exclusion from public decision making; gender injustice; impunity and control of the judiciary; and, conflict and violence. These drivers are context defined.

Economic inequality in Tanzania

Income inequality

Tanzania has not been spared from rising inequalities despite marginal poverty reduction. The World Bank's (2014) Tanzania Economic Update celebrates a reduction in the country's poverty level from 34 to 28 percent, while admitting that more than 45 percent of citizens live below the US\$1.25/day threshold and almost 90 percent live below the \$3.00/day level. Other investigations suggest that the net wealth of Tanzania's 5,600 millionaires (0.016 percent of the population) commanded almost 17 percent of the country's national income. On the basis of 2011 GDP and population data, and the income shares by population quintiles, an average income of \$1,186 went to the wealthiest quintile compared with just \$180 to the poorest quintile. In 2011, 60 percent of Tanzanians had incomes that were below the country's per capita income of \$532.

An analysis of the Palma Ratio within the East African countries,¹ defined as the comparative income of the richest 10 percent of the population in each country *viz a viz* that of the poorest 40 percent of the population,² reveals that Tanzania is the next least unequal country in the region after Burundi (based on official national data for the 1985–2011 period) (Figure 1).

In 2007, the richest 10 percent of Tanzanians earned 1.65 times the income of the poorest 40 percent of their compatriots. However, the trend

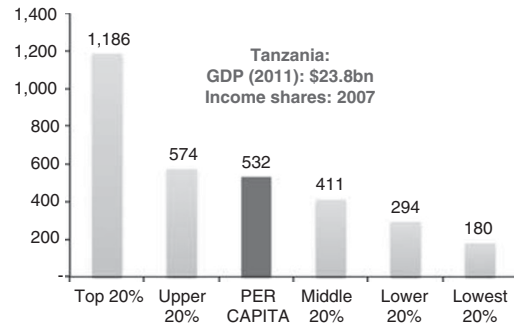


Figure 1: Tanzania Palma Ratio analysis within East Africa

Ratio moving from 1.36 in 1992 through 1.41 in 2000 to the most recent level of 1.65. Putting this into perspective, the two African countries with significant income disparities are South Africa and Namibia. In South Africa, the richest 10 percent make seven times more than the poorest 40 percent, and in Namibia that figure is 6.7 times. The most unequal country in the world on this measure is Jamaica, where the richest 10 percent earn more than 14 times the income of the poorest 40 percent. The least unequal countries are Romania and Ukraine where, with Palma indexes of 0.95 and 1.04, respectively, the richest 10 percent of the population have the same income as the poorest 40 percent of the population.

Spatial inequality across Tanzania³

There are dramatic disparities among Tanzania's regions. Dar-es-Salaam³ is the richest region in Tanzania. It contributed 18 percent to the GDP in 2013 compared with Coastal Region, Lindi and Singida, which contributed 1.8 percent. The gap in the per capita GDP across regions in Tanzania is also considerable, with Dar-es-Salaam recording the highest per capita of TZS 1.9 million, while Singida and Kigoma at 0.6 million and TZS 0.7 million, respectively, score the lowest in the country.

Income disparities by education levels

There are distinct and significant differences in income between groups with reference to access

to education, suggesting a correlation between access to education and income level. National data shows that the higher the level of education one has, the higher their chances and possibilities of earning more in the economy. University graduates, who represent a mere 3 percent of the population, earn more than twice of the income of those who completed secondary education. Graduates earn an average of TZS 4.7 million per year while secondary school leavers earn an average of TZS 2 million per year. Earning share of those who have not or completed primary school is nine times lower the amount earned by the graduate and four times less of those with secondary education.

Income disparity by education levels

Education level	Population share	Annual income
Did not complete primary school	18 percent	TSH 111,000
Completed Std 7	46 percent	TSH 404,000
Completed Form 4	9 percent	TSH 1,990,000
University Graduates	3 percent	TSH 4,667,000

Formal employment

Reports show that in 2013 a total of 274,000 jobs were created in Tanzania, of which 57,000 are from the public sector, 8,603 from private sector and 208,681 from various development projects.⁴ In 2011, the number of formal sector employees was 1.36 million, a 6.7 percent increase from 1.28 million in 2010. The private sector absorbed 63 percent of formal employment, with the public sector making up the balance of 37 percent (National Bureau of Statistics, 2012). The 1.36 million formal employees represent slightly more than 5 percent of Tanzania's estimated labour force of 25.6 million people. While the unemployment rate in Tanzania has remained stable over the years (at just 9 percent), young women (10 percent) are facing higher rates than their male counterparts (7 percent).⁵ Also, the African Development Bank reports that just 3 percent of the labour force is covered by a mandatory formal

social security system.⁶ Moreover, data from the World Bank (2013a) shows that, in Tanzania, only 16 percent of both men and women in the wealthiest 20 percent richest quintile have health insurance compared with just 1 percent of men and women in the 20 percent poorest quintile in the economy.

Wage disparities

The official hourly minimum wage in Tanzania is 385 TZS that translates into an average of \$0.21 per hour (\$57 per month)⁵. A survey on the median monthly wage in EA indicates that it ranges from a high of \$176 in Rwanda to \$84 in Tanzania with Uganda (\$102) and Kenya (\$94) falling in between.⁷ Workers in very small and, surprisingly, in very large firms are more often paid below the minimum wage threshold of \$84 per month. The more years of work experience and the older the age, the higher the percentage paid above the minimum wage threshold. Hardly any gender differences can be noticed. Comparing public sector and private sector wages, reports shows that it pays (well) to work in the public sector. In Tanzania, civil servants earn 3.4 times more than private sector workers do. They have seen their real (inflation-adjusted) wages rise by 32 percent between 2008 and 2011. Contrast this with private sector workers whose real wages declined by 10 percent during the same period (World Bank, 2013a). Workers without a contract and those with no formal education are most likely to be paid below the minimum wage.

Social dimensions of inequalities in Tanzania

Education attainment by gender and wealth status

The Demographic and Health Survey (DHS) reports provide the percentage distribution of the *de facto* female and male household population aged six and above by the highest level of schooling attended or completed. It shows that in 2005 there was 42 percent of *men* in the *poorest* households that never attended school; five years later (2010), this figure fell by 10 percentage points to 33 comparing

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with only 9 and 4 percent in 2005 and 2010, respectively, within the richest families that never attended school. On the other hand, women living in Tanzania's poorest households have a lower chance of having had any schooling compared with their male counterparts. Latest survey results show that in 2010 there were 46 percent of *women* in the *poorest* households that never attended schooling, compared with only 4 percent within the richest families with no schooling. Comparing with the 2005 data, there was a 7 percent improvement from both sides; for the richest households it was 13 percent and for the poorest it was 53 percent.

Education service delivery inequalities

In 2013, the World Bank (2013b) released reports that examined service delivery in education in Tanzania.⁸ The reports provide an interesting insight into the quality of service delivery in the education system but also highlights illustrative inequalities across rural, urban and public–private primary schools in the country. We outline four key points from the report:

- *Essential infrastructure*: Tanzania's urban schools are four times more likely to have electricity, water and sanitation than rural schools. However, even in urban areas, just 8 percent of schools have such services
- *Teacher absenteeism*: One in five teachers (20 percent) in rural Tanzania are absent from school on any given day, compared with 36 percent in urban schools. More disturbing is the fact that 68 percent of teachers in urban schools are absent from the classroom while 50 percent of teachers in rural areas are not in class even when they are in school
- *Teaching time*: The scheduled teaching time in Tanzania is five hours, twelve minutes per day. However, in Tanzania's rural schools, the average teaching time is just two hours and eleven minutes, three hours *fewer* than scheduled or just 42 percent of the scheduled time. The situation is worse in urban schools where the average teaching time was recorded as one hour and twenty-four minutes, meaning that children in urban areas are taught for only 27 percent of the recommended time

- *Teacher competence*: The survey found that the share of Tanzania's teachers with minimum knowledge⁹ of the subject matter was roughly equal across rural (43 percent) and urban (40 percent) schools. This means that only four out of ten teachers in public primary schools in Tanzania are able to display the minimum knowledge required to be a teacher

The double burden of diseases

Social disadvantage accounts for health disparities that are both unjust and preventable. Addressing health inequalities is therefore a moral imperative. But it is also essential for reasons of a global and national interest: a more inequitable society is a less stable one. The burden of diseases in Tanzania is high, with communicable diseases still prevalent. Communicable, maternal, perinatal and malnutrition conditions account for 65 percent of total deaths in all ages, with HIV/AIDS, tuberculosis and malaria among the most common causes. Increasingly the country is confronted with the 'double burden of disease' because of non-communicable diseases (NCDs). NCDs are estimated to account for 31 percent of all deaths. Injuries account for 8 percent of deaths (WHO, 2012). Non-communicable diseases are on the rise in Tanzania particularly in the urban areas, where 27 percent of the population resides. WHO's 2008 country data shows that the total number of deaths because of NCDs is 757,000 among males and 588,000 among females. Out of this number, 42.8 percent of all deaths in males and 28.5 percent of all deaths in females under the age of 60 are because of NCDs. The disease-specific age-standardized death rate per 100,000 for four main NCDs are: cancers 79.0 (males), 73.6 (females), chronic respiratory diseases 130.5 (males), 52.1 (females) and cardiovascular diseases and diabetes 472.7 (males), 381.9 (females).

Stunting

Stunting in children is computed by comparing height and weight measurements against agreed global standards. Tanzania Palma Ratio analysis

within East Africa (Tanzania Demographic and Health Survey) 2010 survey shows that 42 percent of children under-five are too short for their age or are stunted. This indicates chronic malnutrition. Stunting is chronic in rural areas (42 percent) than urban areas (32 percent). Spatial differences on children under-five nutritional status are significant. The figures for stunting are 56 percent of under-five in Dodoma, 54 percent in Lindi and 52 percent in Iringa. Despite their richness in food productivity and GDP shares, the regions of Rukwa and Mbeya indicate that at least five out of ten under-five children are stunted. Mara region in north-western Tanzania scores a better malnutrition index with a possibility of having seven healthier under-five children across households. According to the 2005 and 2010 DHS, stunting increased across the board, among both the wealthiest and poorest quintiles. Between 2004 and 2010, the probability of a child in the wealthiest quintile being stunted went from 16 to 26 percent. Among the poorest Tanzanians, just under half of the children are stunted in 2010. This means that almost five children under five years of age within the lowest quintile in Tanzania are stunted, against only three from the richest notch.

Under-five mortality

Given various efforts, the gap between the wealthiest and poorest quintiles with regard to the under-five mortality rates has been checked over time. However, data still indicates that a considerable number of children under five years of age are dying of preventable causes. The situation is worse within the poorest households where 103 children under five years of age are dying (per 1,000 live births) as compared with 83 within the richest households. This means that one child out of ten born within the poorest households have a very low chance of survival compared with those born within the richest households. Moreover, the geographical zones of Tanzania provide some interesting differences on under-five mortality rates across the board. Lake Zone (109) and Southern Highland (102) record the highest rates in Tanzania, while Zanzibar (73) and North Zone (58) fair better.

Literally, this means one child out of ten born in the regions of Geita, Simiyu, Shinyanga, Mara, Mwanza and Kagera have less chances of survival than those who are born in Arusha, Kilimanjaro, Manyara, Unguja North and Pemba East.

Health service delivery indicators

In Tanzania, 60 percent of urban health facilities have electricity, clean water and improved sanitation, compared with just 5 percent of rural facilities (World Bank, 2013b). National average data stand at 19 percent. Tanzania's urban health facilities do better in their diagnostic accuracy (68 percent) compared with rural ones (53 percent). Interestingly, medical personnel in urban Tanzania are more likely to be absent from their health facilities than their rural counterparts. At the same time, the 11 percent of people in urban areas attending health clinics facilities are more likely to enjoy national health expenditure per capita compared with only 6 percent of people attending same facilities in rural areas. Moreover, when it comes to the quality of health services processes, health clinics in rural areas are likely to have a better health processes quality (44 percent) well above the national average (35 percent) let alone those in urban areas (31 percent). This means that, urban areas, despite enjoying higher health expenditure per capita than rural areas do, still experience poorer health services process (receptions, registration, card handling, diagnosis, queuing, consultations, etc.), when compared with rural areas.

Drivers of inequalities in Tanzania

There are diverse drivers for inequalities in Tanzania. The ever-increasing gap between rich and poor is evidence of an unfair distribution of national wealth in the country. While the economy is said to be growing, little or no effect is felt in the pockets or life of the majority of people, with only a few experiencing improved lives. Unemployment or underemployment is another contributory factor to the increasing gaps within societies, condemning so many to a life of insecurity. Of the 27 million workforce in the country, only 5 percent is employed

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in the formal sector. Youth and especially female youth are the most affected by lack of jobs.

Tanzania's corruption ranking has deteriorated in recent years. According to Transparency International's 2013 Global Corruption Barometer, Tanzania was among the 14 most corrupt countries in the world. Series of corruption scandals have ravaged the country in the past decades, totalling over TZS 1.3 trillion. To put this into perspective, just one-half of the embezzled money would construct tarmac roads connecting all the regions in Tanzania. Corruption denies access to improved health services, education, water, sanitation and food to a majority.

Another driver of inequality in Tanzania is the collusion between political and business elites. This political capture has led to a new set of relationship between state and business that has resulted into allegations of favouritism in public tenders, tax evasion and tax avoidance, among others. These have weakened public services, undermined the fight against corruption, increased patronage and enhanced the domination by rich individuals of political party and public leadership positions. Patronage has also contributed to heightened inter-regional tensions in Tanzania. Though colonial inheritance played role in spatial inequality in Tanzania, since independence some regions of the country have continued to enjoy better services than others do. This has been because of elites with economic and political muscle sitting in the decision-making table within government or parliament. As a result, there are notable differences between regions in the quality, quantity and extent of essential services like water, education, road infrastructure and so on. Although Tanzania has so far done well in implementing the UN Convention on Elimination of all forms of Discrimination against Women that requires a 30 percent quota of women in the parliament, decision-making bodies and other democratic institutions, much still remains to be done with regard to gender equity. Very few women are nominated as candidates by political parties and their civil society/citizens' voice to put pressure on the issue remain limited. Despite the fact that women constitute a majority of the workforce in the economy, they remain pooled within the low-skilled and low-paid jobs.

This eventually nurtures a gender-insensitive socialization process, shrinking female spaces and growing male-dominated alliances and coalescing, further leading to lack of financial resources for women. Land and access to land has also been a dominant driver for inequality in the country. Land and land for agricultural investment for small-scale farmers has been a problem in the past decade. Land grabbing across the country has denied the masses an opportunity for agricultural enterprise. Land value and ownership is a flagship of all these problems, let alone capital for land and agricultural investment. This has led to an increasing number of jobless, income-less young people, often condemned from the start to low quality of life and poor access to social services.

The political economy of the inequality in Tanzania

Despite its attempts, Nyerere's Tanzania socialist era did not fundamentally change the pattern in which political power remained mainly in the province of the black-Africans, while business largely remained the preserve of the Asians and Arabs (Booth *et al.*, 2014). Issues around ethnicity and businesses led to unfortunate influences on the investment climate and development in Tanzania. Economic transformation has benefited foreign and local non-African players much more than African ones. The current political settlements include strong elements of state capture by few local Asian and Arab businesspersons. Commentators contrast some good levels of foreign investments, economic growth and export earnings with the persisting mass poverty and rising inequality. Policies that allowed liberal land sales, while energizing responses by international and national CSO concerned with poverty and food security, made it difficult to enforce robust agricultural and industrial policies, which are essential for long-term development (Hoffman, 2013). Indeed, this context fuels the rent-seeking behaviour of the political elite that serves short-term political advantage, with little benefit to socio-economic development, and dampens the climate for major investment (Cooksey and Kelsall, 2011). It is inherently difficult to map business-political relationships and networks because of their opaque nature and limited media

attention, due the sensitivity of the issue. However, in some cases, state–business relationships can be *inferred* from decisions favouring one or another company, including granting tax exemptions and low level of tax payments compared with turnover. Private businesses account for a quarter of all tax exemptions granted between 2011 and 2012 (Booth *et al.*, 2014). Of the 15 best tax payers of the year 2011, major companies like Mohamed Enterprises (owned by Mohamed Dewji, a Parliamentarian and Forbes richest young businessman in Africa), Bakhressa/Azam, IPP Media, Coca Cola, Pepsi, SABC, Vodacom, Serengeti Breweries, Barick Gold, AngloGold Ashanti and the oil marketing companies were not in the list. Experiences show that the main Asian companies with close political connections are family businesses. The importance of the Asian business linkages cannot be overstated. Conspiracy theorists claim that there are just a handful of Asian and Arab family businesses that virtually control the economy. Linkages of these stated businesses with ruling elites are necessarily anecdotal. The full true story is yet to be written.

The current government has formulated diverse agricultural policies and directed major investments into the agriculture sector worth \$1.1 billion since ascending into power in 2005, including the Agricultural Sector Development Program, Kilimo Kwanza, Rural Livelihood Development Program, Tanzania Bread-Basket Transformation Project (Tumusiime and Matotay, 2013), among others. However, the government is seen to champion contradictory incentives in the agricultural policy. On several occasions, it has supported smallholders, local capitalist farmers, foreign capitalist farmers and cooperative monopoly crop purchasing against private traders. Support for both local and external capital and investment policies are compatible with the Kilimo Kwanza vision (Sumila, 2013; Booth *et al.*, 2014). The national business council foresees joint ventures in which the locals provide the land and the external investor brings the capital and expertise. Most members of the elites own land and many are already involved or planning joint ventures. These are powerful reasons to support Kilimo Kwanza

and the New Alliance for Food Security and Nutrition. At the same time, there is also a strong and unjust trade control by middlemen and large-scale traders in the cashew nuts, these also being the ruling party's major funders and leading beneficiaries of the tax exemptions (Therkildsen, 2012).

Policy assessment

One of the core Nyerere's socialist government beliefs was the slogan 'all human beings are equal'. This theme underpinned several efforts during the first decade and second decade when *Ujamaa: The Basis for African Socialism* was launched and *Socialism and Villagization* programmes were implemented. The prime philosophical belief of the policy was that *individualistic search for wealth and security at the expense of others* was a sin and strongly denounced (Edwards, 1998). Change of guard within the ruling party and winds of political change made Tanzania to review its social welfare policies from time to time. With the poverty level reduced from 33 percent (1990) to 28 percent (2012), but with an increase in the number of poor people from 10 million to 15 million from 1990 to 2015, the government firmed up its efforts in enhancing living standards and reducing economic inequality. Renowned governments programme to tackle inequalities include the Tanzania Social Action Trust Fund, which targets poor wards by establishing different capacity building programmes. Also, the policies that aim to provide free medical treatment for all persons above the age of 60. To a great extent, road infrastructural development in Tanzania has been aiming at increasing access and transportation capacity of the regions as a way to tackle spatial and horizontal inequalities within the country. Emerging small holder's financial cooperative organizations especially women's groups known as Savings and Credit Community Organizations and Village Community Banks either supported or funded by the government, the Constituency Development Fund, or the National Economic Empowerment Program are other examples of efforts to curb inequalities. Though working to some extent, these programmes have turned to

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be politicians' projects, which inhibits their full potential and limit their autonomy. Decentralization and local government reforms are also good examples of policies that have an outlook towards addressing inequalities.

Nonetheless, administrative changes that favour or increase the number of women in leadership are also cited as efforts to tackle gender inequalities. The current government has increased the number of women in leadership and political positions in Tanzania from a mere 17 percent in 2004 to 33 percent in 2012 (Tanzania Commission for Human Rights and Good Governance, 2012). The number of female ministers in the current government has also increased from 15 in 2004, to 27 in 2009. There are more women faces in the government than at any other time in the country's history. More women are expected to vie for political and administrative power in the 2015 elections because of the encouragement and support shown by the current regime.¹⁰ If the proposed amendments to the Tanzania Constitution are approved, there will be a recognition of different community groups, including special rights and protection of minority groups, all key to tackle the ever-increasing disparities within the country.

In terms of current policy areas and political strategies that try to address inequality, the Presidential Delivery Bureau that implements Tanzania Big Results Now (BRN)¹¹ has released the 2013/2014 report showing government efforts on the matter. It is reported that the Ministry of Water's strategic and prioritized approach to water infrastructure projects provided more people with access to water in one year than ever before. The provision of 9,452 additional water points resulted in 2.36 million people in over 240 villages gaining access to water. This performance is significant compared with the previous achievement of reaching an additional 300,000–500,000 people on average per year.

On the electrification process, it shows that energy consumption per capita reached 105.8 kWh in 2013/2014, surpassing the 2012/2013 energy consumption per capita of 97 kWh. This was complemented by a reduced loss of energy during transmission and distribution process, which went down to 19 percent from 21 percent

the previous year. The ministry also provided access to electricity to an additional 193,420 households. On education, which is the third national key result area, it is argued that for the first time the Ministry of Education and Vocational Training published a nationwide official school ranking based on the 2013 Primary School Leaving Examination and Certificate of Secondary Education Examination results. On the basis of the school ranking, 3,044 of the best performing and most improved schools in Tanzania were recognized and rewarded via Tanzania's first Education Week in May 2014. Direct access to education statistics and results has given a wider ethos in transparency among parents, teachers and the community, enabling greater accountability and ensuring corrective action is taken promptly.

Summary snapshots of Tanzania's disparities

- Income inequality in Tanzania has been rising since 1992
- Forty-five percent of Tanzanians live below \$1.25/day, while 90 percent live below \$3.00/day
- In 2011, the overall average income in Tanzania was estimated at \$532. However, the richest 20 percent got an average of \$1,186 while an average of \$180 went to the poorest 40 percent of the population
- In 2011, 3 percent of the population with higher education earn more than twice those who at most completed secondary education (73 percent)
- Malnutrition rates in Tanzania have increased among both the richest and poorest households
- 1.36 million people in formal employment represent slightly more than five percent of the estimated labour force of 25.6 million people
- Young women (10 percent) are facing a higher unemployment rate than their male counterparts (7 percent)
- Between 2004 and 2010, the probability of a child in the wealthiest 20 percent being stunted increased from 16 to 26 percent
- Dodoma has the highest rate of stunted children in Tanzania (56 percent)

- Some 68 percent of teachers in urban schools are absent from classrooms, while 50 percent of teachers in rural areas are not in class even when they are at school
- Tanzania's urban schools are four times more likely to have electricity, water and sanitation than rural schools. However, even in urban areas, just 8 percent of schools have such services
- Children in Tanzania's rural schools are taught for just 42 percent of the scheduled teaching time, while those in urban schools, for just 27 percent of the scheduled teaching time
- Sixty percent of urban health facilities have electricity, clean water and improved sanitation compared with just 5 percent of rural facilities
- There are 46 percent of *women* in the *poorest* households that never attended schooling, compared with only 4 percent within the richest families

Conclusion

Inequality in Tanzania is real and visible. Furthermore, inequality has substantially grown, thus undermining poverty reduction efforts. For many, the concept of inequality is confused with poverty and the two terms are often used interchangeably. Inequality should not be treated as a relative term

either, but its importance in poverty reduction efforts should be underscored.

Efforts to build a fairer society through conscious public policies have never been an easy task for governments, as they only become possible through the direct citizen involvement in tackling the drivers of inequalities within the larger society. The country has adopted a number of efforts to tackle disparities, but still these purposeful efforts seem ineffective. Although there is no set formula for tackling the problem, addressing the key drivers is critical. Public sector-driven growth through tackling government spending should be a key issue to work on. Efforts in this regard will see a reduction or elimination of corruption and thus enhanced access to public essential services like education, roads, water, health as well as improved citizen voices. Improved access to education would contribute to tackling gender inequality, too. Also, there should be an increased access to labour market for the youth through conscious policy efforts to change mindsets, curricular and conscious economic policies to address the problem. The world is now moving beyond the limited Millennium Development Goals agenda and targets. In order to sustain the little that was achieved, and for the country to achieve its renewed development agenda, there should be a deliberate and strengthened effort to tackle structural inequality in a sustainable manner.

Notes

- 1 The Palma ratio is defined as the ratio of the richest 10 percent of the population's share of gross national income to the poorest 40 percent's share.
- 2 Data sourced from <http://www.indexmundi.com/facts/topics/poverty>, which takes as its source the World Bank, Development Research Group. Data are based on primary household survey data obtained from government statistical agencies and World Bank country departments.
- 3 National Accounts of Tanzania Mainland: Publication 2001–2013 can be accessed through <http://www.nbs.go.tz/>, accessed on 18 February 2015.
- 4 *Daily News* (Thursday 30 May 2013) Hotuba ya Waziri wa Kazi na Ajira Mheshimiwa Gaudentia M Kabaka akiwasilisha bungeni makadirio ya mapato na matumizi ya fedha kwa mwaka 2013/2014, Para. 33.
- 5 Wageindicators.org and authors' calculations. Exchange rates: www.oanda.com
- 6 <http://www.africaneconomicoutlook.org/en/countries/east-africa/tanzania/>.
- 7 The median wage is the middle of all observations within a defined category, for example, all female workers. It should not be confused with the average or mean wage, which is the sum of all wages of the individuals divided by the number of observations. The median has the advantage that it is not overly influenced by small numbers of high earners (www.wageindicator.org).

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- 8 In Tanzania, the sample size was 175 health centres (135 rural and 40 urban) while the education sample size was 180 primary schools (132 rural and 48 urban). In Kenya, information was collected from about 303 primary schools (public and private) and 2,960 teachers.
- 9 This indicator measures teacher's knowledge and is based on Mathematics and language tests covering the primary curriculum administered at the school level to all teachers currently teaching Maths and English in Grade 4, those who taught English and Maths at Grade 3 in the previous academic year, and up to 3 randomly selected upper primary Maths and English teachers. *Source:* <http://documents.worldbank.org/curated/en/2013/07/18031388/education-health-services-kenya-data-results-accountability>.
- 10 Between 2010 Tanzania has seen an increase of female parliamentarian from 63 to 93, permanent secretaries raised 30.2pc, and judges of the high court and court of appeal by 11 and 16pc, respectively (<http://www.mcdgc.go.tz/>).
- 11 BRN Annual Report 2013/2014.

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