

# THE UNITED REPUBLIC OF TANZANIA

# SPEECH BY THE PRESIDENT OF THE UNITED REPUBLIC OF TANZANIA,

H.E. BENJAMIN WILLIAM MKAPA,

DELIVERED TO THE UNIVERSITY COMMUNITY
AT THE UNIVERSITY OF DAR ES SALAAM,
NKRUMAH HALL – 16<sup>TH</sup> FEBRUARY 1999.

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Chancellor of the University of Dar es Salaam, Ambassador Paul Bomani; Minister of Science, Technology and Higher Education, Hon. Dr. Pius Y. Ng wandu, MP;

Chairman of the University Council, Ambassador Fulgence Kazaura; Vice-Chancellor of the University of Dar es Salaam, Prof. Matthew Luhanga;

Faculty Deans and Heads of Department; Academic and Non-Academic Staff; Students; Ladies and Gentlemen.

#### Good Afternoon!

Three years have passed since I was elected by a solid majority to be the third President of the United Republic of Tanzania. If you were to ask me what has pre-occupied me most during this time I would say: the economy, the economy!

I now believe the foundation has been laid for a sustainably growing economy. I have visited almost the whole country to get the people behind a revived thrust for self-determined development. I have reasserted Tanzania's central role in our part of the world, including strengthening amicable relations and regional co-operation with our neighbours. I have also visited key bilateral development partners,

firming up and locking in their enhanced support and that of multilateral financial institutions on debt relief and development financing.

Having completed these preliminary tasks of my Presidency, I thought the appropriate time had come to touch base with the community of the University of Dar es Salaam.

Let me say at the outset that I attach a lot of importance to today's, and future, encounters with you for several reasons:

- Firstly, the University of Dar es Salaam is the largest and oldest university in our country. It has trained, and continues to train, the majority of the people in top and middle level leadership positions in the public and private sectors; even in political parties. Whatever plans I have for this country, therefore, their successful implementation will depend on the quality and capacity of the people trained here. So it is important that you and I get into an understanding on the quality and relevance of your product to the vision I have for our country;
- Secondly, having successfully explained and defended our policies and priorities to the ordinary people across the country, it should be much easier to discuss the theory, practice and imperatives embodied in our policy framework with you in the hope that you can team up with my government to ensure successful implementation;
- Thirdly, the University being the collector, distiller, repository and dispenser of knowledge is an important partner to the government in applying this knowledge to the objective analysis of the national challenges in terms of policies, governance, socio-economic development, sustainable growth, prioritisation and sequencing of development actions; and providing objective prescriptions and predictions; and
- Fourthly, depending on how staff and students position and carry themselves in relation to important national issues, they could be a source of strength or a destabilising factor at the very time when the nation needs to stand together to create a peaceful and better future for ourselves, and for our progeny. I trust that this encounter will contribute to a mutual understanding that will strengthen rather than weaken relations between our government and our university.

An honourable parliamentarian asserted pompously his conviction that he could not be wrong:

"I know I am right," he thundered.

"And I would rather be right than President."

"Don't worry," retorted an honourable opponent, "you will never be either!"

Well I will not be thunderous, but I believe I am both right and President!

#### THE ECONOMY AND HIGHER EDUCATION

# Mr. Chancellor,

The first matter I want to address is the relationship between the national economy and education - any education - but especially higher education. I do so because I have a feeling that the critical link between the two has yet to receive the attention it deserves. In a country like ours, in which we believe in an egalitarian access to education, the state will continue to shoulder a substantial part of the burden of educating its human resources.

But education, any education, is an expensive investment whose returns take years to be realised and enjoyed. Just ask the parents who send their children to private kindergarten, primary and secondary schools, or private universities. Here at this university, I am told that depending on the course, the full cost for a degree course can exceed 5 million shillings a year. Add 100 more students and you need an extra T. Shs.500 million, enough to build two new day secondary schools!

I give this example to illustrate the point that financing education involves a lot of hard choices - choices on very basic issues. We cannot improve the quality of output at higher institutions of learning without first improving performance at lower echelons of our education system. And this costs money to train and re-train teachers, and pay them better; to acquire books and other teaching aids; to improve teacher-student ratios, and so on. If the government were, for example, to employ 5,000 new teachers at a monthly salary of T. shs. 50,000/=, that would add up to T. Shs.2.5 billion a year, or almost 10% of the entire budget of the Ministry of Education and Culture this year! For your information we expect that in the next three years we will need an extra 5,842 secondary school teachers.

# Mr. Chancellor,

We live at a time of very difficult choices in the face of huge, urgent and competing demands on insufficient resources. Sometimes the choice is truly between a rock and a hard place. It is easy for everyone to demand more resources for the social or economic sector of concern to them. But for me and the Minister of Finance who have to try and arrive at an optimal balance among competing and valid demands on the national coffers, the choices are truly agonising.

I understand when you ask for more financial resources for the University for teaching and research activities, for books, and so on. I would have done the same thing myself had I been in your shoes. But within the tight budget framework in which the government operates, increased funding in one sector means less resources for another sector.

The solution I propose to your problems, and those in other sectors, may not satisfy you if what you seek is an immediate miracle, for I have none such. The only solution I have is to promote consistent, rapid and sustainable economic growth. That is why I said my top priority in the last three years has been the economy. For an erudite community like this, I do not have to belabour the point. So I will just take you quickly through the policy issues concerned, the results attained so far, and our realistic expectations in the near future.

#### Mr. Chancellor

Then you are poor, the first natural thing to do is to use the little resources you have most carefully and judiciously. So among the first measures my government took upon coming to power was to increase efforts at revenue collection, re-structuring our tax regime, including introducing VAT, and enforcing budgetary discipline by running the government on a cash budget basis. I have said it before, and I have to repeat, that we have more than doubled tax revenues in the last three years, from a monthly average of about T. Shs.28 billion to almost T. Shs.60 billion now. Contrary to fears borne of the experiences of other countries, we launched the Value Added Tax last year very smoothly.

As a result, we have managed to narrow budgetary deficits and improve government recurrent savings from 2.7% of GDP in the 1994/95 fiscal year, to 1% last year. We have also reduced inflation from 27% in October 1995 to 12% now. The effect of reduced

inflation on prices is clear, and the lesson has been learnt even among ordinary people that the more important thing is the purchasing power of our currency, not the amount of money in our pockets or socks!

The second natural thing for a poor man to do is to seek out friends who can help him not only to survive the present, but also to build a capacity for growth and self-reliance in the future. This includes asking for debt relief. But to do so two things were important. Firstly, to show a serious determination to take whatever painful measures aren't necessary to engender sustainable growth. Secondly, to concede our indebtedness by accepting the obligation to pay by actually beginning to service at least some of those debts.

I know I have been accused, even on this campus, of spending too much time on macro-economic issues and paying foreign debts at the expense of social services. You are learned people, and I ask you: What would you do if you were in my position when over 96% of the current development budget is financed through grants and loans? Clearly, the development and nurturing of good relations with donors and creditors is of paramount importance; without compromising on our vital national interests.

Unless we adopt prudent fiscal policies, even those social services I am asked to protect by ignoring donors and creditors will collapse because they also depend heavily on foreign funding. Therefore, until our economy reaches the stage where we can, on our own, meet a large part of our recurrent and development budget, it is foolhardy to even contemplate an arrogant or dismissive attitude towards the IMF, the World Bank and bilateral donors and creditors.

The term "globalisation" is almost hackneyed now. Yet, some of those that keep talking of globalisation, and the emergence of a global village, question our resolve to maintain a good name in world financial circles by servicing at least a part of our debt. That to me is a contradiction in terms. For, globalisation implies integration, while repudiating our indebtedness and the attendant obligation to pay is isolationist and autarkic.

A small economy like ours in today's world can only unilaterally refuse to repay its debt if it plans to withdraw from normal economic relations with the global financial and economic powers that be. That we cannot afford to do, and I do not see the point in testing the limits of their tolerance when as a matter of fact the debt overhang is of our

own construction. We borrowed of our own free will; the loans were not somebody else's imposition on us. And from there flows the obligation to begin paying even as we advocate and negotiate for urgent debt relief. In this, I ask you to join the chorus of debt cancellation advocacy.

But our short term sacrifices so far have produced long-term benefits; they were not in vain. I will give a few examples. In 1995, Tanzania was in such bad books with donors and International Financial Institutions that we could hardly borrow, and aid was declining rapidly. After reforming our fiscal and monetary policies and performance, and improving the servicing of our external debt, we now get new loans and bilateral grants on which this university also depends. Only one week ago the IMF approved the third annual loan for Tanzania under the Enhanced Structural Adjustment Facility (ESAF) amounting to \$82 million.

# Mr. Chancellor,

Let us look at some numbers from a historical point of view. I came to power during the 1994/95 financial year. In that year, total external assistance received was almost \$756 million. Last financial year, this had risen by 46% to \$1.1 billion over a three-year period. This financial year, total external assistance is projected to reach almost \$1.3 billion. True, increasing volumes of assistance are not something to be proud of. I would be the happiest man the day we will not need aid and soft loans. But the truth is that as of now we need aid and concessional credits before we can stand on our own feet; and the increasing levels of aid and credit is a sign of external confidence in our policies and our determination to lift ourselves out of poverty.

To appreciate the value of these levels of external assistance to our economy, let us see how they relate to our export revenues on which we would have to rely upon if there was no forthcoming external assistance. In 1994/95 our merchandise exports (fob) were worth almost \$593 million, which was only 78% of the external assistance we received that year of \$756 million. Last financial year, our merchandise exports were worth \$645 million, a mere 58% of the external assistance received amounting to \$1.1 billion. If this year's projections are met, our own exports will be a pitiful 52% of total external assistance.

# Mr. Chancellor,

We survive on a lifeline of grants and loans and the challenge before us is not how to distribute poverty, but how to focus on and engender economic growth that will help us wean ourselves out of this level of dependence. I thought I could have your support on this, and I challenge anyone to come up with an alternative framework and strategy to bridge the yawning gap between our export income and our requirements for imports. Where else could we raise the \$1.3 billion we will receive this financial year in grants and credits? What credible alternatives do our detractors have?

In addition, and in recognition of our efforts to repay our debts, we received debt relief amounting to \$1.1 billion in January 1997. Last year, we established a Multilateral Debt Fund to help service our debts to multilateral creditors, with the resultant budgetary savings going to improving social services namely: education, health and water. As a result, these critical sectors are now receiving assured levels of budgetary allocations, and they have solid donor support for the coming years. All this would not have been possible if we had not accepted the challenge to manage our economy well.

We have also received significant donor support towards settling verified domestic arrears on payments in respect of goods and services supplied to the government and its institutions. A recent example is the T. shs.27 billion given by the European Union for this purpose. Such support would not have been forthcoming if we had not developed good relations with the donor and development financing community. This will help to stimulate the domestic economy, and answer a valid demand by our people.

# Mr. Chancellor,

The prudent management of our economy, the macro-economic stability we have created, along with investment incentives we have put in place, has finally put Tanzania on the tourist and investment map in several important sectors, including mining. As you may well recall, a couple of days ago I officially opened the first modern large-scale gold mine in Tanzania since independence at Nzega; and at least three more gold mines should come on stream in the next 2 - 3 years.

The peace and political stability we have, in addition to an increasingly stabilising macro-economic framework, and a good

investment climate, has resulted in a steady increase in investments, and stable economic growth. In 1994/95 real GDP growth was 2.6%. Since then, and despite adverse weather conditions, it has not gone below 3.4%. This year our expectations are 4.3% against a world average of 1.3%, placing us for the first time ever among the 20 fastest growing economies in the world.

The *Economist Intelligence Unit*, which cannot be accused of being soft on Tanzania, had this to say recently:

"Tanzania is another potential winner. Long neglected by foreign investors, the country is now attracting sizeable inflows of foreign capital."

# Mr. Chancellor,

Investment that produces sustainable economic growth is the key to improved welfare of the people, and the increase in social sector spending, including higher education. For, even if it were easy to determine priorities, and identify higher education for an increased share of the government budget, or of the Gross National Product, the actual sum payable will remain minuscule if the budget or the GNP does not increase.

A small percentage of a large sum can be larger than a large percentage of a small sum. So the question is not so much the proportion of our budget, or of our GNP that goes to education, or health, or water, or roads; but rather the size of the GNP and hence the size of the budget. This is the explanation for my concentration on the economy. Education and the economy are linked, we should not try to separate them or ignore the vital and critical connection and interdependence between the two.

# THE NEED TO IMPROVE PRIMARY AND SECONDARY EDUCATION

# Mr. Chancellor,

The need to increase funding for higher education must be weighed against the need for more resources to expand, in an egalitarian manner, access to improved primary and secondary education. Unless we can do so, there will be fewer qualified students for matriculation in tertiary education, including girls. We must as

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quickly as possible move away from the present position where we have to give supplementary tuition to enable applicants qualify to enrol in our higher institutions of learning.

Let us, for a while, look at the imperative for greater investment in lower levels of education. For a long time now there has been a public outcry, even on this campus, on the failing standards of education in Tanzania. Indeed, a number of indicators are used to prove this point. For instance, official literacy rates have fallen from 90% in the mid-1980s to 84% last year. The Gross Enrolment Rate (GER) in primary schools has fallen from a high 98% in the first half of the 1980s to 78% last year, while the Net Enrolment Rate (NER) has dropped from 71% to 57% over the same period. The average national performance during the 1997 primary school leaving examinations was veritably shocking. Only 20% of the students passed, and only 0.6% received an "A" grade.

Then there is the question of culturally or historically disadvantaged groups which need special attention, especially girls. In comparative terms, the academic performance of girls is on average 10 points lower than that of boys at the end of primary school examinations thus restricting their access to secondary education. At the 1997 primary school leaving examinations, girls accounted for only about 20% of the total "A" passes. In Lindi and Mtwara regions, not a single girl got an "A." In secondary schools, only 2% of the girls achieved a Grade 1 rating compared to 10% for boys. These patterns undermine female confidence and access to higher education and job opportunities, especially in science and technology fields.

# Mr. Chancellor,

If we are agreed on the imperative to improve lower levels of education, in an egalitarian manner, we need also to look at the cost implications in terms of investments in infrastructure; in teacher training and remuneration; in the quality, monitoring and evaluation of instruction.

In translating the Education and Training Policy launched in 1995, an action oriented Basic Education Master Plan, (BEMP), was launched in 1997 to be followed up immediately by the Secondary Education Master Plan (SEMP). I will briefly describe what we have planned to do, and the cost implications involved.

# THE BASIC EDUCATION MASTER PLAN

The Basic Education Master Plan involves a five-year programme (1997-2002), costing \$375 million (about T. Shs.225 billion), with four main components:

- 23% of this budget (Shs.54 billion) will go towards expanding and improving equitable access to primary education, and raising the Gross Enrolment Rate to 85%. 10,000 classrooms will be repaired; 10,000 new ones will be built in priority areas; and 5,000 primary schools will receive clean water. We will also seek to improve retention rates among disadvantaged groups. A scholarship fund will be established for that purpose, and 60% of the grants will be directed to girls.
- 43% of the budget (T. Shs.96 billion) will go towards a quality improvement programme whose components include enhancing the Education Ministry's capacity for policy analysis, development evaluation and monitoring, especially for science and maths. A sustainable textbook supply system will be established with a target of 1 book per student per grade by the year 2002. Additionally, a rigorous in-service training of existing primary school teachers will be carried out.
- 8% of the budget (T. Shs. 18 billion) will go towards strengthening planning, management and monitoring. The inspectorate and school advisory systems, as well as examination systems, will be rationalised and strengthened. In addition head teachers and their deputies will be trained to strengthen school management and leadership.
- The last component which will take 26% of the budget (T. Shs.57 billion) will be a transitional programme of teaching service rationalisation to achieve an optimum utilisation of the teaching service through regulated staffing norms, including attaining ratios of 1 teacher per 45 pupils, and to ensure equitable access to better trained teachers.

# Mr. Chancellor,

The Government believes that this Basic Education Master Plan is necessary and pragmatic, and it addresses basic education in its entirety - formal, out-of-school, and adult education. Necessary

because as signatories to the Jomtien Declaration of 1990 we have committed ourselves to the principle of Education For All, and have made basic education a basic right for all the children of this country. Pragmatic because the successes in turning the economy around gives us the confidence that GDP growth can sustain the financing framework, and be able to increase budgetary allocations to the education sector.

I should also point out that, to begin with, a large component of the budget will be met by the donor community having satisfied themselves that it is practical and achievable. Furthermore, the plan strategies include the encouragement of private primary schools - with careful quality assurance and regulation - thereby increasing public/private sector partnership in providing basic education.

# SECONDARY EDUCATION MASTER PLAN

# Mr. Chancellor,

Each year about half a million Tanzanian pupils sit for standard seven exams, but only about 17% are selected to join our secondary schools. This is a very low transition rate, which has a significant impact on the number and quality of students who qualify for tertiary education. The target of the Secondary Education Master Plan, therefore, is to raise the transition rate to 20% by the year 2002.

In terms of infrastructural development, the government will continue to call upon, and depend on, the revived self-help spirit of our people. In the last three years of my administration, local communities have built 157 new secondary schools, an average of 55 schools per year! Non-governmental organisations, especially religious organisations, are also an important partner in increasing the number of secondary schools. This of course puts greater demands on government resources in terms of teachers, teaching aids, and monitoring capacity.

For instance, in order to reach the 20% transition rate in both ordinary and advanced level secondary education, we will need to create 5809 new teaching posts. The cost implication for implementing the Secondary Education Master Plan is about T. Shs.72 billion if all students go to day schools, or about Shs.102 billion if they all stay in boarding schools.

# Mr. Chancellor,

I have discussed at considerable length the imperatives and challenges for improved basic and secondary education as a necessary condition for improved access to, and quality at, higher levels of education. I do not know if there is anyone among us who does not see this imperative, or is averse to bearing the burden of implementing the programmes we have designed. But they cost a lot of money: 363 billion shillings for basic education, and almost 100 billion shillings for secondary education.

And yet our economy needs also to increase funding in tertiary education, including the University of Dar es Salaam. I, therefore, ask you to be understanding when we focus on building the foundations of a growing economy, and when we seek to derive an optimum balance between allocations to basic, secondary and higher education.

# TEACHER EMPLOYMENT AND WELFARE

# Mr. Chancellor,

Before I address issues related specifically to the University of Dar es Salaam, let me say a few other things we have done in the last three years to improve teacher welfare, and recruit more teachers.

In October 1995, there were about 8,000 teachers whose salaries were uncertain because of computer complications. We solved that problem and today every teacher is not only on the payroll, but has a higher salary, promptly paid before the end of each month.

In October last year, the government lifted the moratorium on the employment of teachers and 3,653 new ones have been employed. When added to the 8,000, whose employment was regularised, this in essence amounts to 11,653 new teachers over the last three years. Another phase in the employment of teachers is on its way.

When my administration came to power thousands of teachers were frustrated due to delayed promotions. We worked on this problem and 89,500 teachers have been promoted in the last 3 years. Other teachers had not been paid some of their non-salary entitlements for many years. In 1995 such unpaid entitlements amounted to about Shs.1.2 billion, of which Shs.635.6 million has now been paid. In November 1995 only 10 - 15% of primary school pupils had desks; today the national average is 95%.

But let me point out a problem we had last year in recruiting teachers. We had announced that we would employ every graduate teacher. But to our surprise 40% of them wanted employment only on condition that they be posted in Dar es Salaam. That, of course, was an unacceptable condition for the government. This raises serious questions on the information they have received here. Having been trained at great expense by the government, they refused to teach anywhere else except Dar es Salaam. What would have happened to them if all teachers in the past had insisted on working only in Dar es Salaam?

Another problem is the shortage of graduate teachers in the sciences. The country is facing a critical shortage of science teachers. There has been in force a freeze on the recruitment of new staff. I am instructing forthwith the institutional authorities concerned to lift the freeze in respect of the disciplines where there is a shortage. I also strongly urge the University of Dar es Salaam to embark on an urgent and special drive to satisfy the current high demand for science teachers. There is a clear need for teacher education to be relevant to the needs of our schools today and tomorrow, and to be more sensitive to the market. This University must be the torchbearer in preparing our people for a new century of science and technology.

# THE NEED FOR A NEW PARTNERSHIP IN HIGHER EDUCATION

# Mr. Chancellor,

I aving addressed the relationship between the economy and education, and having described the imperative and strategies to improve basic and secondary education in an egalitarian way, and having explained what we have accomplished so far, let me now zero-in on specific policy issues related to tertiary education, with reference to the University of Dar es Salaam.

From my experience as Minister for Science, Technology and Higher Education, I know most of the problems you face, and which you may wish me to address. But I have deliberately decided to focus more on broad policy issues than on specific problem areas, which I am sure the Minister responsible can respond to.

The first policy issue I want to address is on the need to forge a new national partnership for higher education. Historically, again for egalitarian purposes, the government had monopolised the provision and financing of education, including university education. But such a strategy can only be sustainable if the economy is growing rapidly and

consistently. But, for many years, since the late 70s, our economy stagnated and the donor funding that helped us put up the infrastructure for education began to dry up.

As a result, we witnessed under-funding of university programmes, deteriorating quality of university education and its product, and comparatively low enrolment ratios. To highlight the problem of under-funding, let us look at the trend over a ten year period, 1984/85 - 1995/96. In 1984/85 under-funding of the University of Dar es Salaam, measured as the magnitude of the shortfall between the University's own budget and the actual amount of funds given to the University by the government, was 4%. By 1994/95 it was a staggering 71%. Put differently in 1984/85 for every T. shs. 100 you asked for, you were given T. shs. 96. In 1995/96 for every T. shs. 100 you asked for, you got T. shs.29 only.

Thanks to increased revenue, the Third Phase Government has begun to reduce this shortfall, but let us face it, the government alone cannot finance an expanding quality education in this country. We must create a new strategic partnership with all stakeholders: students and parents; the private sector; the community; the universities themselves as well as bilateral and multilateral donor and funding agencies.

The government, naturally, has the primary duty to be the custodian and regulator of our education system. It has taken, and will continue to take, relevant policy and regulatory measures to:

- Increase direct funding to core teaching and research activities while de-emphasising assistance towards non-academic activities;
- Sustain an enabling environment for the private sector to establish and run universities, while ensuring educational quality and relevance to the country's development objectives;
- Provide support for the strategic plans adopted by the universities to enable them contribute effectively to the renewal of university education in Tanzania;
- Encourage donors to support higher education; and
- Streamline the students' loan scheme so that only those needy students qualify, as well as put in place the legal machinery for assured loan recoveries.

The universities, through their management and academic staff, must on their part play a pro-active role in redefining the mission of their institutions, and revitalising their programmes and activities by:

- Formulating, implementing, monitoring and evaluating their strategic plans;
- Making optimal use of existing facilities throughout the year in order to enhance enrolment rates, and to generate more income;
- Taking maximum advantage of the governments' resolve to use universities for contracted research or consultancies in order to raise more funds while at the same time contributing to internal capacity building;
- Increasing teaching and research capacities in selected academic spheres that are vital for Tanzanians; and
- Reviewing and updating the curricula offered so that it becomes relevant to the changing economic, technological and labour market needs of Tanzania.

Students and their parents, by contributing toward the cost of university education through cost sharing, will improve educational quality and relevance and will enhance enrolment rates. For, where students pay something for their education, they are bound to pressurise the academic and non-academic staff to be more accountable; and they are bound to take their studies even more seriously. To those that still think cost sharing is expensive, I ask them to consider the observation of Derek Bok, President of Harvard, who said, "If you think education is expensive, try ignorance!"

Used realistically and for more services, cost sharing will ease the pressure on public resources to be spent on supportive activities. The public resources so saved will then be concentrated on teaching and research, the main mission of the university.

The private sector can, and should, contribute to the revitalisation of university education by:

- Opening quality universities that offer courses which are relevant to Tanzanian's social and economic priorities;
- Financing research and awarding contract consultancies to our own universities;

- Practising corporate philanthropy through award of scholarships and funding of professorial chairs;
- Establishing student loan schemes and education endowment funds; and
- Striking a healthy and mutually supportive working partnership with local universities.

The community, in its diverse forms, has also a vital role to play in enhancing the quality of education and enrolment rates. We are still working on proposals to establish an education levy to which all members of the community will directly or indirectly contribute. Local governments and co-operatives should also help by offering scholarships and loans to students.

The donor community on its part need to support Tanzania's combined efforts to revamp university education through funding university education as a legitimate instrument for Tanzania's overall development, and assisting with the implementation of the universities' strategic plans. If, as they frequently avow, they are partners to our economic development they must recognise human resource development as a critical factor and make a contribution to it.

# THE ROLE OF DISTANCE EDUCATION

Mr. Chancellor,

We all know that distance education is much cheaper than conventional education, putting minimum demands as it does on infrastructure and staff size, and instead focusing on tuition and delivery. With the current fast developments in information technology, distance education can reach more people in a shorter period of time than conventional education, giving the greatest value to the lowest investment, and lowering tremendously the unit cost of educating our people.

Even with its teething problems, the Open University of Tanzania has a teacher-student ratio of 1 to 146, compared to 1 to 7 at this university; 1 to 6 at Sokoine University; an unbelievable 1 to 2 ratio at UCLAS; a 1 to 5 ratio at the University College of Health Sciences; and so on. Let me say this, I have already demonstrated my willingness to give teachers a better pay than civil servants, but I want a better return on this investment.

#### **EMPLOYMENT OF GRADUATES**

# Mr. Chancellor,

I am aware that questions are being asked as to why not all university graduates get employment. There are three main sources of employment: The public sector, the private sector, or self-employment. With the political and economic reforms we are implementing, and the resultant restructuring of the public sector, including privatisation, the public sector cannot guarantee to employ all graduates like in the past.

There is now an urgent need for the University to review its curricula and tailor it to actual demands of the labour market, which are basically the needs of the private sector, or prepare students for self-employment. I also think the time has now come to give university students entrepreneurial skills and to consider creating funds to help them launch themselves into business and self-employment upon graduation.

I call on the donor community, and our banks, to devise and fund lending windows specifically geared to the needs of university graduates that want to go into private business. Graduates in fields like agricultural sciences, veterinary sciences, engineering, law, architecture, accounting and so on should be able to quickly establish themselves given entrepreneurial training and credit. In addition this will be the best way to begin creating a corps of educated indigenous entrepreneurs, something we have lacked for too long, but which we now need urgently.

#### STAFF SALARIES

# Mr. Chancellor,

I should also say a word or two about salary structures and levels. Salary structure and scheme of service for non-academic staff in the University of Dar es Salaam is contained in the Treasury Registrar's Circular No. 2 of 1997 which came into force on 1<sup>st</sup> July, 1997.

In consequence of the above circular, salary adjustments were effected and outstanding arrears in respect of the non-academic staff were established. I have been assured that the arrears amounting to almost T. shs. 180 million will be paid this month.

#### POLICY ON HIGHER EDUCATION

# Mr. Chancellor,

Let me in conclusion state that a number of the measures I have referred to are actually part of a new policy on higher education that we are in the process of formulating and towards which some of you may have made contributions. As part of that policy a Higher Education Act is to be enacted.

Among the issues that the new policy will seek to address is the rationalisation of tertiary education institutions in Tanzania and bringing some order into the rather chaotic system we have now in relation to entry qualifications, awards, staff grading and titles, and so on.

The new policy will also seek to make optimal use of the large investments in public higher education we have made in terms of infrastructure and academic staff training. Yet, even as practically all our tertiary education institutions face budgetary problems, they all have very low teacher-student ratios, averaging 1 to 8. We need more value from this infrastructure and the teaching staff in these institutions of higher learning.

# Mr. Chancellor,

I have spoken too long. But I suppose my speech is within the time frame of one lecture. Still, I am reminded of a wit who once said:

"We are born with our eyes closed and our mouths open, and we spend our whole lives trying to reverse that mistake of nature."

Indeed, we need to do less talking and to keep our eyes and ears more open. I will open mine now, and keep my mouth shut, to let you take your turn at carrying forward that mistake of nature.

I thank you for your kind attention.