7 Corporate Social Responsibility in Tanzania: Experience of Misconception, Misuse and Malpractices

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Introduction

Corporations enormously influence our lives in a myriad of ways. Corporations especially embark on organising tasks in our economic life (Lindblom and Woodhouse 1993), and their role in society has always been a battleground of political debate and ideological affectation. As Chatterji (2011: 13) said "when selfish means of earning profit is practised by the business world, then society becomes the victim of domination, exploitation and oppression." Despite our multicultural world, there are certain values that are universally upheld and are acceptable as such; these are collectively known as 'human rights'. In such a cross-cultural world of business, issues have to be prioritised, keeping always the aspects of human compassion and justice at the forefront. Thus, every age in history has tried to find the symbiotic relationship between the economic man and the social man (Chatterji 2011). Today, one of the prominent attempts of dealing with this dilemma is Corporate Social Responsibility (CSR).

CSR is not a modern discovery and certainly not something that can be accredited to the economically developed countries. Long before the arrival of the Europeans in many parts of Africa and Asia, a donation-to-community culture was practised (Chatterji 2011). The concept once known as "noblesse oblige" (nobility obliges) has experienced a rigorous resurgence since the 1950s (Mintzberg 1986). At the dawn of the 21st century, however, CSR has become one of the most influential topics both in the academic world and in real life practices (Saatci and Urper 2013; Anwar 2013; Greider 1997). In fact, in the era of globalization, amidst corporate scandals which have evoked soul searching among practitioners and academicians (Kashyap et al. 2003; Chikati 2010), CSR is part of both the vocabulary and agenda of people from all walks of life, from academics to professionals, NGOs to consumer groups, employees to suppliers, shareholders and investors (Winkler 2005; Mintzberg 1986), and local residents (firms' neighbours).

CSR as a concept has not taken roots in Tanzania, but as corporate practice in the country it is a common phenomenon. Successful CSR calls for both the right understanding of the concept and consequently, the right practice. Sometimes it also calls for government coordination and support to make the activities timely and tangible (Diallo and Ewusie 2011). When this role is missing, corporations can use the vacuum

to fill in activities that have little or no use to the general public; yet it gains a name for the corporation. The important role of the state in coordinating and supporting CSR is missing in Tanzania, and this brings about misconception, misuse and malpractice of what could have been an important and useful concept.

In this book chapter I will examine the concept of Corporate Social Responsibility, look at one successful CSR project in India and then conclude by investigating at bad practices in Tanzania. I will then offer recommendations on how those practices can be avoided to allow for a version of CSR which is of mutual benefit to business and society.

The Concept of Corporate Social Responsibility

Society and business have a social contract in which there are rights and obligations, and trade-offs for both parties. It is a question of give and take; as Chatterji (2011: 17) argued, although business has the bigger responsibility of philanthropy, we must also keep in mind that each stakeholder has reciprocal duties with others, and the consuming community also has the obligation to make the trade-off between cost, sustainability and integrity. Different stakeholders also cannot be driven by their selfish interests alone because each stakeholder has an important role to play, and one cannot be destroyed for the benefit of the other.

Chatterji (2011) also maintained that society is increasingly turning to corporations for help with major social problems, such as poverty and urban affliction. Business is also rewarding society by providing knowledge and skills of carrying out business and understanding modern societies in a more organized way. CSR is of mutual benefit to the companies and local communities which are beneficiaries of projects that started as CSR activities. However, CSR must go beyond philanthropy, as unethical behaviour sometimes makes society extremely tolerant and insensitive. Business has then the responsibility either to be extra vigilant to avoid catastrophes, or to take advantage of the familiarity with unethical behaviour in pursuing unethical activities (Chatterji 2011).

Since 1998, World Business Council for Sustainable Development (WBCSD) dialogues with diverse stakeholders throughout the world has revealed that CSR means very different things to different people, depending upon a range of local factors including culture, religion, and governmental or legal framework conditions. There can be no universal standard (WBCSD, 2015). WBCSD thus defined CSR as the continuing commitment by business to behave ethically, and contribute to economic development while improving the quality of life of the employee and their families as well as of the local community and society at large (Okusaga 2007; Petkoski and Twose 2003).

CSR is seen more and more as a way for companies to engage with their external environment to develop linkages between business strategies and societal stakeholders' impact strategies (Browne and Nuttall 2013; Saatci and Urper 2013). Multinational Corporations (MNCs) are becoming common in low-income markets, such as in Africa, searching for their legitimacy and growth opportunities (Egels 2005). In an attempt to attain legitimacy to operate in some places such as Malaysia, MNCs are building

public housing and income supports (Greider 1997). In India, this attempt is in the form of religious grants, building wells and rest houses, and commissioning relief work in times of disaster so as to gain social status, developing infrastructures, education, arts and culture, public welfare, and many others (Chatterji 2011). In other places like Ghana, Zambia, Kenya and Tanzania, it is in areas such as health care, water and electricity supply, job creation, sale of good quality but cheap products, social and recreation clubs, building schools, dispensaries, giving scholarships, sponsoring sports and local NGOs, donations to vulnerable communities such as people living with disabilities, victims of disasters, minorities, and many other ways (Lungu and Mulenga 2005; Barrick News 2010; Diallo and Ewuse 2011; Lunogelo and Mbilinyi 2009; Mbogora 2003 Kivuitu and Yambayamba 2005; Chikati 2010). All these forms of support are collectively known as CSR.

Kumar and Balakrishnan (2011) upheld that since 1990, CSR lobby groups or interested parties have grown to a commendable level. Examples of such groups include the World Economic Forum (WEF), World Business Council for Sustainable Development, UK- Business in the Community (BITC), US- business for Social Responsibility, Global Reporting initiative (GRI) in Amsterdam, Corporate Citizen Research Centre in Australia, Quality Associates International Inc., which developed the Social Accountability norms SA 8000, International Organization for Standardization (ISO) in Switzerland which has established standards on the Environment, Risk Assessment, Food Safety and Sustainability elements; European Foundation for Quality Management (Belgium) and Malcolm Baldrige Excellence Program (US), to name just a few. In addition, several organisations worldwide have the so called "CSR Season" on-going and associated budget as well, regardless of how they have understood and customised their CSR practices for creating the maximum benefits to the society (Kumar and Balakrishnan 2011). This cornucopia of lobby groups and interested parties points to the fact that CSR has become popular, and the business community is seeing the concept as a way to link their businesses to the society; whether for altruistic reasons, business (profit) reasons, or any other reason.

To the companies, CSR became a business opportunity due to its capacity in improving corporate image and brand (Maignan and Ferrell 2004; ATE 2012; Diallo and Ewusie 2011). CSR serves as an identity, and also for strategic planning of the company by not only fulfilling economic profit but also contributing to the growth and development of society and environment (Salleh et al. 2013). Thus, Drucker (1984) suggested that corporate social responsibility and profitability are not incompatible, but social opportunities that can in fact be converted to business opportunities. Drucker's argument is that corporations should turn social problems into economic opportunities, benefits, and ultimately into wealth.

Corporations are pressed by one concern: survival of their businesses; and thus may find it in their interests to go beyond the requirement of the law (Lombardo 2011; Reinhardt 1999; Kreitner 1995). In doing so, corporations actively shape their stakeholders' environment (Egels 2005). In this case it is more progressive to think of environmental sustainability, which is part and parcel of CSR, as a shared responsibility

of business and consumer (Brinkmann 2004). CSR is therefore corporations' way to construct and control consumers' behaviour and market. Creation of taste for environment protection and sustainability is one way of shaping customers' demand (market) for their products (Crouch 2006; Lombardo 2011).

Association of Tanzania Employers -ATE (2012), which is tripartite forum comprising of ATE on one side and government and trade unions on the other, confirmed that CSR has many advantages to the local community. It can offer financial contributions, it can also make some of the business's product or services available free or at low cost to charities and community groups. CSR looks for opportunities to make surplus product and redundant equipment available to local schools, charities and community groups. It can as well offer quality work experience for students (job shadowing). What can make CSR sustainable is its ability to use the business's experience to help a local school, charity or community group become more efficient and entrepreneurial. CSR can also be used to support local sports, cultural or other community activities; it can be used to donate money to local charities and invest in community development such as investments in roads, schools or hospitals (Insyirani et al 2013; Chikati 2010). Through CSR, corporations can use some of the marketing budget to associate the business or brand with a social cause. Lungu and Mulenga (2010) argued that corporations see CSR as 'good for business' since it can enhance the sector's "social license to operate". This is because it reduces risks to production, posed by disputes and tensions, by maintaining good relationship with the local communities around their business activities.

CSR, as good as it may seem, is at times abused by corporations. In India, for example, CSR began when merchants became involved with temple charity, and yet used these temple grants to increase their business. It was a practice for merchant families to keep some of their profit for charitable purposes. Since they were respected and trusted as a result of their charity work in the communities, such merchants came to occupy important social positions, which again made their business more profitable (Chartterji 2011). Thus charity, and indeed CSR, was - and still is - being used by some companies and business people to penetrate into new localities and create respectable social identities, which again further helps to entrench authority over commercial enterprises (Chatterji 2011; Rudner 1995).

Example of a Successful CSR Project in India

Hindustan Unilever Limited (HUL) was ranked number one in the Asia-Pacific region and in India. It is a company dealing with the supply of fast-moving consumer goods (FMCGs). HUL believes that that the worth of a company is also in the services it provides to the community. On the backbone of this belief, HUL has created a number of community services ranging from hygiene, nutrition, enhancement of livelihoods and reduction of greenhouse gases to water footprint. HUL had decided to help the neighbouring farmers of its soap factory in Khamgaon village in India to become financially independent. The project started as a pilot of watershed management on a five-hectare

land to prevent soil degradation and conserve water. The result of this was the creation of a veritable greenbelt forest of about 6,300 trees.

Looking at the results, HUL was encouraged to extend the project model to a neighbouring village, Pakhed. This time, starting with initial investment of Rs 80 lakhs, HUL teamed up with TERI and Bharatiya Agro Industries Foundation. The model was to prevent loss of vegetation that resulted in the lack of fodder for cattle, and soil erosion. Thus, trenches and gullies were built, check dams and wells were constructed, and selected species of trees were planted to capture water before it flowed away. The rubble was used for bunding, and grass was planted to reduce run-off and to conserve soil. Several check bunds and gully plugs were constructed on the narrow drains running through the plot.

The project benefited about 2000 people and about 120 landless farmers. Their income increased as much as three times. The corporation also helped women to form 32 self-help groups, which were able to collect Rs 352,000; the amount that was used to help local schools to give computer training. These developments reduced migrations from the village; as many as 95 percent of the people wanted to stay back after the project was a success. HUL's head of CSR said that the company developed the programme according to the needs of the people. He said that although they had other CSR projects elsewhere, they knew implementing similar projects everywhere in India would not make sense as every region has its individual needs.

In Pakhed, the company mobilised the community to put aside some funds from their income for the repair of dams. The annual income of the farmers in the area covered by the dams increased from around average of Rs 36,000 to approximately Rs 85,000 per year, per farmer. This has been attributed to the availability of water facilitated by the project. This initiative received appreciation at the Johannesburg World Summit on Sustainable Development. It is clear that such kinds of initiative helps to solve various social issues such as poverty, farmer suicide, migration to cities, and under-utilisation of land. With the increase of income, these farmers are certainly future loyal customers of HUL products, and the benefit of brand building is simply enormous.[1]

HUL's project shows its seriousness in the amount of it money invested; the way it formulated (defined) the project; and, ultimately, its implementation. The project came as a result of people's problems and not the company's problems. The project is not even a compensation for any damage done by company's business activities; it was not geared to clear the name of the company. When companies want to solve their problems using CSR, the first clear indication is when they want to implement the same project everywhere they go. HUL defined their CSR with problem of the local people, thus the projects had the local people at its centre. To avoid developing dependency on the company, HUL involved the people by mobilising them to contribute in sustenance of the project in case there is breakdown.

[1]*Source: This has been adapted from Madhumita Chatterji (2011).*

In addition, HUL also instilled the sense of responsibility for other projects in the community such as education, thus when women in the self-help groups collected money, they contributed to children's' computer education in the local community. One project generated another project, thus the project was not static but rather dynamic with sense of growth. To improve the whole issue, HUL was able to bring in another company to team up to help the local community. In terms of results, there is a very clear difference in terms of income of the members of the local community, before and after the start of the projects. Thus it can rightly be said that HUL's CSR project contributed to the improvement of the life of the local community.

HUL's CSR project was geared to help the whole community, not just a segment. When a corporation claims to give something to the community, it should really be for community and not just a few individuals in the community. Projects to help communities should try in every way possible to incorporate every member of the community in the formulation, implementation and benefits of the projects. CSR projects need to be comprehensive and not just a one-time do-good event.

CSR Malpractices in Malawi

In Malawi a company called Paladin was accused of going around communities making direct payment to village chiefs, putting local leaders in its payroll so as to undermine local decision making (Rajat 2007). In some places, companies have gone further to even corrupting government officials, such as ministers and members of parliaments. Some communities have been given unfulfilled promises on upgrading infrastructure in areas by companies, especially those dealing with extraction of minerals. Such promises are becoming more and more common, but little is said about negative impacts of the process of extraction (Rajat 2007).

In Tanzania some individual business people and owners of corporations have used such practices of CSR in local communities to gain political careers, such as those of Member of Parliament (MP) and even ministerial posts. This is not only happening in Tanzania; Chartteji (2011) gives evidence that merchant gifting has been a strategic ploy trend to gain political influence and easing relationships with rulers for a long time in India.

Though the CSR concept and its practices are not without critics, it remains instrumental in benefitting society in compensating the imbalances and improving the social values such as those of health, safety, literacy, poverty, etc. (Kumar and Balakrishnan 2011; Chikati 2010). Therefore, when we look at the future of Tanzania beyond the Millennium Goals, we can project CSR in the scenario as one of the possible ways to finance development in the country. However, there is evidence that CSR in Tanzania is doing poorly with some activities failing, others rejected by local communities and some showing disappointing results (Egels 2005; Emel et al. 2012; UK Essays 2014). One of the reasons that have been extensively argued as contributing to the failure of CSR (possibly rejection) is the non-involvement of the stakeholders in decision making processes (Diallo and Ewusie 2011; Freeman 1984). Stakeholders are said to be

vital in the survival and success of any corporation (Freeman et al. 2004; Friedman and Miles, 2002), therefore they should not be kept aside.

CSR Malpractices in Tanzania

In the following section, I will demonstrate the challenges that CSR encountered in Tanzania, resulting in different malpractices. The first challenge that resulted in bad-practice is the definition of the very term. The term 'CSR' had been ill-defined, mal-practised and mismanaged by both corporations and governments. It has been abused from left to right by companies and the communities who are supposed to be beneficiaries of CSR projects and from centre by the government. Therefore, the abuses are at times intended, and at other times are out of ignorance about what CSR is.

The second challenge is the issue of unclear policies on CSR. The existence of unclear policies on CSR, or the absence of those policies, leaves room for abuse by companies that rush to claim CSR for their own advantage. Such advantages can be in the form of advertising their products or/and promoting their brands. Some companies use CSR as a strategic tactic to gain public support for their presence in markets, and this helps then to sustain a competitive advantage over others by using their social contributions to provide subconscious advertising (Gachanja et al. 2013). The unclear policies also allow some companies to take advantage of inviting top government officials to officiate different business functions, thus indirectly advertising companies' products. This is done without the officials knowing that they are being used for advertisement. However, there might also be cases when these top government officials are aware but choose to look the other way for private gains. While these officials benefit from these companies the community members represented by these government officials are left empty handed and resentful. When there is ignorance on the part of the government or communities, companies tend to take advantage of the situation (Lungu and Kapena 2010).

The third challenge is the abuse of OECD guidelines. Looking at OECD Guidelines for Multinational Enterprises (OECD 2000; Lungu and Mulenga 2005), companies are expected to contribute to economic, social and environmental progress, with a view to achieving sustainable development. They are also to respect the human rights of those affected by their activities, including the employees and the host communities, and in addition encourage local capacity building through cooperation with local communities, including local businesses. Companies are also asked to refrain from seeking or accepting exemptions that are not contemplated in the statutory or regulatory framework related to environment, health, safety, labour, taxation financial incentives or other issues, and also develop and apply effective self-regulatory practices and management systems that foster the open relationship of confidence and mutual trust between companies and the communities in which they operate.

OECD guidelines also direct companies to encourage business partners and other associates, such as suppliers and sub-contractors, to apply principles of corporate conduct which are in line with corporate governance and socially responsible citizenship.

Companies should in addition avoid improper involvement in local political activities and they must refrain from discriminating or disciplining an employee who makes bona fide reports (whistle blowers) to management or competent public authorities on practices that contravene the law (Lungu and Mulenga 2005; SARW 2010). While these principles are clear and known, few corporations in Tanzania adhere to these principles. This problem of non-adherence has a long history worldwide from the General Agreement on Tariffs and Trade (GATT) to International Trade Organization (ITO) which both left MNCs unregulated.

The fourth challenge is the absence of the central role of the state. In absence of the central role of the state, OECD guidelines remain non-binding in Tanzania, with companies abusing CSR practices. The first area of CSR malpractice in Tanzania is disclosure. CSR demands that companies disclose their activities that affect the communities around them both positively and negatively; this is what is termed as 'transparency' in Corporate Governance (Masuku and Moyo, 2013; SARW 2010). In fact the CSR of a company will only be correctly perceived by the public if its social and environmental value is transparent (Gachanja et al. 2013). However, a good number of companies in Tanzania are reluctant to share information about their businesses and their activities that affect communities around them.

In Tanzania these challenges contribute to different abuses. For example, one of the important principles when conducting CSR is that a company must be transparent. However, while claiming to do CSR, companies such as MIC, Vodacom, CRDB, Barclays Bank, Geita Gold Mine, Africa Barrick Gold Mines and Williamson Diamond Mines give all the reasons for non-disclosure policies of their companies. While behaving this way, the activities of some of these companies had harmful effects on the communities around them. Companies such as f mobile phone service providers were engaged in different activities such as the building of signal towers, selling scratch cards, transferring money, selling mobile phones and so on, that affected the lives of people. In this case, it was the right of society to know about these practices, and the responsibility of the companies to distribute the information.

Mining companies in Tanzania were also known for refusing researchers the access to information about their activities. This is the case with Africa Barrick Gold, Geita Gold Mine and Williamson Diamond Mines. Banks such as Barclays and CRDB also react in similar way. While transparency/disclosure is one of the principles of CSR (Crowther 2008; Lungu and Mulenga 2005), refusal to disclose information about business activities by companies is rampant in Tanzania, which leaves leeway for CSR to be a tool to propagate business endeavours. Companies were called to create a relationship of mutual trust with communities around their areas of operation, but companies in Tanzania such as Africa Barrick Gold Mine, Geita Gold Mine, Williamson Diamond Mine, Barclays, CRDB, Vodacom and Tigo are creating relationships of mistrust and enmity. Some have deprived local community members of their land and social services such as schools, roads, water sources, etc as was done by mining companies. After depriving the communities of these resources that are vital to them, they then gave back a bit of the same services in the name of CSR. For example, Geita

Gold Mine took part of Nyamalembo village primary school, later it built a hostel for a girls' secondary school as part of its CSR programme (Emel et al. 2012). It also released poisonous water into villages' water sources underground, and then provided seasonal tap water as its CSR project. Similar examples were seen with Mtibwa Sugar Company, Barrick Gold, among others.

The banks such as CRDB, NBC and Barclays and mobile phones service companies such as Vodacom Tanzania, Tigo (MIC), Airtel and Tanzania used CSR to boost their businesses, to recruit new customers and advertise their brands with little or even no cost at all. Mobile companies would start different competitions where callers were deducted money with promises of different prizes, such as cars or houses to lucky customers or even a whole community. While billions were reaped in such kinds of initiatives, only a token was spent for the community. Some of these CSR initiatives were a mockery to the civilised world; companies that made billions of dollars such as Airtel Tanzania gave few books to few schools, and called it giving back to the community.

The absence of clear rules and regulations ensured that corporations behaved without responsibility (Frome 2013). Though CSR is defined as doing more than what the law requires companies to do, practices show that CSR actually allows abuses and dodging from even those requirement that fall within the law. Sometimes companies in Tanzania could not adhere to even standard business practices. One of the mobile phone service operator companies gave handsets to members of parliament. From the outside, such a move could simply be brushed aside as a marketing strategy, but a closer look reveals a problem for such top level law making institution to receive gifts from companies. After receiving such gifts, the institution is left compromised, unable to remain neutral when discussing bills that would directly or indirectly affect companies in the category of gift-giver. They would most probably be biased and bend themselves in favour of the gift giving company or its sector, thus succumbing to corruption. These kinds of manoeuvres contributed to companies in Tanzania looking clean on paper and appearing commendable in paying their taxes and contributing to community development, while in practice these same companies are actually dodging the very basics of rules and regulations in the country. The mobile phone service operators and mining companies were leading in these bad practices of evading taxes; launching CSR with a big bang, but with little or no benefit to the local communities.

CSR is about doing more than what the law demands (ATE 2012; Kreitner 1995; Lungu and Mulenga 2005), but companies in Tanzania were avoiding even what the law stipulated. This already casted doubts on the authenticity of their CSR commitment. Even when it came to internal CSR, whistle-blowers were not tolerated and many times were intimidated; this was clear when the management of some companies involved in this study were afraid to give information related to CSR in their companies.

In short, CSR in Tanzania presented a contradiction between what companies actually did and what they claimed to do. While corporations had good literature on their CSR programmes, there was little to show in terms of what had been done and how it benefited the communities. The deprivation done by mining companies in terms of

land, pollution of water sources and other resources shows that the whole question of livelihood of the natives was unspeakable (Emel 2012). Number of companies in Tanzania do CSR by giving a few scholarships, classrooms, helping NGOs sporadically and white elephant projects of water and electricity such as those done by Geita Gold mine and African Barrick Gold. Others by planting trees such as Williamson Diamond Mine and vegetable gardens by Artumas Group. All these are done amid companies enjoying paying little tax or tax free business operations in the country. This illustrates that these companies' CSR amounted to nothing but mockery to the local communities and the people of Tanzania.

In terms of employment, a similar situation existed. Companies in Tanzania tended to minimise labour instead of being labour intensive. Even those Tanzanians employed in managerial posts were only used as a bridge to someone else. The natives in the positions could not make decisions that were called for by the offices they held. They were simply rubber stamps and monuments for the outside world to see that a company had natives in its managerial positions, which also made transactions with local public offices easier and in addition reduced and diffused conflict with the surrounding communities. At times, even the salaries of the local managers were lower than the expatriates who were in lower cadre in the same company. These cases were observed with ABG, Geita Gold, and Williamson Diamond Mines. This however, does not mean other corporations studied did not have similar practices.

It was also common in Tanzania to see top government officials invited to open or inaugurate functions of private corporations such as those of banks, mobile phone service operators, mining, and many others. These functions were used by companies to send a PR message to the general public. It was easy for the local public to trust a company that was perceived to have been trusted by high level government officials. Take for example a mobile phone service operator that had a function and it invited the president who posed with a certain mobile phone brand model. This would be a big bang advertisement for both the phone brand model and the company that hosted the function. In fact it would be conceived as prestigious to do business with a company that a top government official had done business with. Yet, the question is, what did the community gain in return for the use of this public office in the advertisement of the brand and the company? Did the public officials know about these advertisements they indirectly made, were they were being used out of ignorance or did they individually get paid and forgot about the public members (society) they represented? Those officials holding public offices should consider public benefits when called to officiate companies' business functions; indeed, the offices they hold are public, and in attending these functions, the officials are spending time that should have been used to serve the public.

Conclusion

In a globalizing world, business creates a need for people to buy products and not create products to fill the needs of the people (Frome 2013). CSR can be used as a means to create those needs. Banks such as Barclays, CRDB and mobile operators such as Vodacom and Tigo boast about providing education on finance, entrepreneurship and loans. While this was true, these companies deal primarily with finances (including mobile phone services operators with their mobile banking) thus one wondered where the boundaries between CSR and normal business would be. When banks hold seminars on loans or entrepreneurship, they are creating a need in the society; a need that is filled by provision of their services. Their CSR is thus a market oriented venture that puts community problems second. To do away with such practices, the state has to come in and enact its role of coordinating and support.

With the amount of wealth that corporations produce daily, largely from its stakeholders, it is only logical to expect tangible results when these corporations decide to allow growth to trickle down. However, as it is now, the so called the process of trickling down is itself another process of accumulation that has little to no effect on the general public. In addition, the general public has little to no say in the whole process of both formulation and implementation of projects geared in making sure that global growth benefit all. The success of CSR as a programme to make business benefit the public should start with the involvement of the public in decision making. Involvement of community members in making decisions puts power of development to the people. The involvement would make sure that the projects are timely, relevant and deliver maximum impact to the target population (Diallo and Ewusie 2011). The state too should partner with the private sector to bring about community development and not be a competitor or bystander. As a competitor, the state becomes unreliable and a corrupt partner who is not ready to deliver. A state should be an owner who knows about his problems and is ready to work on them. It should not leave everything to the private sector and be seen as if it has delegated its duties to a partner who is not well equipped and not meant for the job. The state should stand with its people by formulating policies that embrace its people, and act by changing old policies that embrace the private sector at the expense of its people. There has to be a regressive rolling back of the state in the partnership between communities and corporations.

CSR offers both opportunities and challenges in Tanzanian development. Opportunities and challenges are for both corporations and communities involved in CSR projects. Despite misuse by some companies, there is already a good will that companies could cultivate and reap benefits offered by CSR. Communities should as well build on this good will, and trust the companies as partners in development.

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