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An Assessment of the Prevalence and Impact of Crime Entrepreneurship and Small Business Development in Dar es Salaam City

Rashid Mfaume and Wilhelm Leonard

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Entrepreneurship and Small Business Development in
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By

Rashid Mfaume and Wilhelm Leonard

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Abstract

Entrepreneurship and Small businesses have been increasingly recognised as one of the means of creating employment and reducing object poverty (PRSP, 2002). While many factors are said to be essential for successful prosperity of Small businesses, the questions are on the issues of safety and security to entrepreneurs on one hand, and the efforts taken by city authorities to institute and promote security measures on the other. To explore on these issues, researchers conducted exploratory research to identify the prevalence and extent of security (crime) problem in the city of Dar es Salaam and how it inflicted entrepreneurship and Small Business Development endeavours. The findings revealed and indicated that there is modest level of crime in the city of Dar es Salaam and entrepreneurs and small business are suffering an immense loss as a result of escalating rate of crime.

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ACRONYMS

DSM	Dar es Salaam
ESARP	Economic Survival Adjustment and Recovery Programme
ADP	Gross Domestic Product
ILO	International Labour Organization
IMF	International Monetary Fund
MC	Municipal Council
MU	Mzumbe University
NORAD	Norwegian Agency for Development
PRSP	Poverty Reduction Strategy Paper
PO-RALG	Prime Minister's Office-Regional and Local Government
SME	Small and Medium Enterprises
SPSS	Statistical Package for Social Sciences
UNDP	United Nations Development Programme
UNIDO	United Nations Industries Development Organization
URT	United Republic of Tanzania
WB	World Bank

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EXECUTIVE SUMMARY

Entrepreneurship and Small businesses have been increasingly recognised as one of the means of creating employment and reducing objective poverty (PRSP, Small business Policy, 2002). While many factors are said to be essential for successful prosperity of Small businesses. The questions are on the issues of safety and security to entrepreneurs on one hand, and the efforts taken by city authorities to institute and promote security measures on the other. To explore on these issues, researchers conducted exploratory research to identify the prevalence and extent of security (crime) problem in the city of Dar es Salaam and how it inflicted entrepreneurship and Small Business Development endeavours. The study was completed in July 2003 and the findings revealed and indicated that there is modest level of crime in the city of Dar es Salaam and entrepreneurs and small business are suffering an immense loss as a result of escalating rate of crime.

Methods

Researchers administered questionnaire, conducted In-depth and Key Informant Interview (KII) with entrepreneurs, leaders of small business organization, and officials from three Municipal Councils (Temeke, Ilala and Kinondoni Municipals) in the city of Dar es Salaam. The survey drew convenient sample consisted of 130 entrepreneurs and 12 officials from the mentioned municipals. In Kinondoni Municipal Council the sample consisted of 19, Temeke 68 and Ilala 43 respondents. Although convenience sample cannot be used to generalize to large populations, the respondents provided valuable insights and comments concerning crime and how it inflicted their ventures and suggested some ways for improving security measures in order to make their ventures successful.

Key Findings

The definition and understanding of crime differs slightly between entrepreneurs and officials. Entrepreneurs and small traders indicated that what constitutes criminal behaviour is robbery and harassment from city askari. The officials had the view that crime goes beyond that and includes such other factors such as conducting business in unauthorised areas.

Most people enter into entrepreneurship and small business due to inadequate education and lack of alternative payable employment On the question of the motive to enter into entrepreneurship, the findings revealed that majority enter into entrepreneurship and small business because they do not have

adequate education background (62%) and so far it is difficult for them to find alternative paid jobs (36%). That signifies that they take entrepreneurship and other small businesses as the last resort for earning livelihood.

Destruction of properties followed by petty theft is the common form and type of crime facing entrepreneurship and small business proprietors Entrepreneurs and small traders (45.5%) indicated that the two are the most leading forms of crime having longstanding negative impact to their venture. Petty theft (36.2%) was also cited to be one of the leading form of crime inflicting entrepreneurship and small business venture.

Entrepreneurs and small traders would prefer to conduct business wherever they can meet customers. Almost all entrepreneurs interviewed indicated that they prefer to conduct business wherever they think they can find customers for their merchandize (73.4%). The findings indicated that while they care for security of their ventures, entrepreneurs would be prepared to face the authority's consequences than refraining from conducting business in the areas they prefer, as getting customers was much favoured.

Small business undertakers would use some illegal means to protect themselves from criminal acts. The findings indicated that small business vendors would be prepared to use any means possible to protect themselves. They were prepared even to use confrontational means including fighting with law enforcers such as police and city militia. Majority of small traders indicated that reporting to police is not the commonest used solution to them. However it was not clear what sort of weapons small traders were using when encountering city militia or criminals.

Entrepreneurs and small business proprietors would prefer to set their own security system than being protected by the institutionalized ones. Majority of entrepreneurs and small business proprietors, who were interviewed, indicated and indeed suggested that they would prefer to set their own self security system in order to protect themselves from malicious and culprit acts perpetrated by crime committers. They showed little confidence to city askari and indicated that they were the ones who grabbed and destroyed their merchandize. However, they were confident and built enough trust to Police.

City authority is aware of the problem business Development in Dar es Salaam City The interview with City officials revealed that the authority was aware of the security and crime problem in the city. The close examination revealed that city authority is alleging the small traders as also being a problem. As most of them are not prepared to follow the procedure and regulations set out by City Councils on small business such as trading in designated areas. *Entrepreneurs and Small traders would not consider quitting from entrepreneurs due to insecurity problems.* Majority of respondents would not consider quitting from entrepreneurship (79.2%) irrespective of the crime threat! Only (20.2%) indicated that they can consider quitting and start other alternative activities including looking for paid employment. That of course is not surprising because as they revealed elsewhere, entrepreneurship and small businesses have been the only alternative for proprietors to earn livelihood.

PART ONE: INTRODUCTION

1.1 Background to the Study

Over the past three decades Tanzania has undergone a series of economic crises that were aggravated by several specific events such as 1973 petroleum crises, the 1974 drought that badly hit agricultural economy, 1977 collapse of East Africa Community and the 1978/79 war with Idd Amin of Uganda. These natural and man-made economic calamities added to an already ailing economic performance in the post Arusha Declaration era. Among several efforts to revamp the economy was the setting up of the Economic and Social Action Plan (ESAP, 1989) and the subsequent Economic Recovery Programmes in early 90's. These measures were said to have positive impact leading to five consecutive years of per capita GDP growth. Tanzania has been undergoing socio-economic and political changes which have included the liberalization of the economy through trade, industrialization and upsurge of investments, while the political life has been moving towards multi-partism after 31 years of a single party rule and 25 years of socialist aspiring economy.

Since mid 1980's, Tanzania, through various institutional supports adopted an economic reform programme aimed at reviving the economy that was stagnating. The reform effort produced positive impact in terms of increasing growth, lowering inflation, stabilizing the exchange rate and ensuring a market determined interest rate. However, increasing government withdrawal from managing business enterprises, unfavourable condition of village life, low and unreliable price of most consumer agricultural goods and continuous displacement of workers from their employment, all these have been driving people toward small private undertakings. Small and medium enterprises play a very important role in economic and social development in Tanzania. It is estimated that approximately 50% of the industrial outputs originate from small and medium enterprises and about 12% of the rural labour force and 34% of the urban labour force are self employed in this sector (URT-Small business Policy 2002, ILO/UNDP/UNIDO, 2002).

Given the fact that Tanzania is one of the countries with most rapidly growing population and urbanizing countries in Africa, with total population of 34.56 million people, annual population growth rate of 2.9% and urban population growth rate of 4.5% per annum (National census, 2002), the implications of this rapid population growth are enormous.

Firstly, young people will shortly constitute two thirds of the country's urban population. The entry into labour markets is expected to be more than double, thus causing a further strain on already worsening unemployment situation. The retrenchment exercise and collapsing of most state enterprises that have thrown most energetic people out of sustainable and reliable income all add to the problem of unemployment. It is the fact of the day that majority of retrenchees remain in town trying to pursue other means of earning income. They resort to self-employment ventures in the form of entrepreneurship and small business. In Tanzania, for instance, 25% of the youth are unemployed due to inability of the economy to generate enough jobs.

Secondly, demographic surge is expected to make people live in overcrowded slum and squatter settlements, characterized by inadequate infrastructure and service, low security system, thus harbouring crime and violent practices. The question of proliferation of crime has been fuelled by large migration of rural inhabitants to the cities, notably changing a social order that has still not adapted to the need of a large and more diverse population. Rising levels of violent crime have had a deep impact of the urban environment.

1.2 Problem Statement

Criminal violence is one of the most worrying problems in modern times. As a city, Dar es Salaam has witnessed rapid level of urbanization, an influx of fleeing young school leavers and increasing number of squatters, black spots and gathering places for *spivs* and thugs. These accelerate urban poverty and unemployment, squatting and the rise of slum in the cities. A *spiv* is an acronym for Suspected Persons and Itinerant Vagrants. Parallel to such influx has also been witnessed increasing effort to establish entrepreneurship and small business. Most of these enterprises are in the form of petty trading. Yet it has been suggested that small business undertaking in this city has happened in an ad hoc, uncoordinated and poorly integrated way.

Consequential to this, there are few, if any, reliable security systems in place to protect and secure small business undertakers. In Dar es Salaam city insecurity has all along remained stubbornly alive. There is constant raid, day light looting and grabbing just to point a few, of entrepreneurs and small traders' merchandize by the *spivs* and city *askari*. One needs to be hardier and even more aggressive to remain in small business venture. Many business enterprises in Dar es Salaam city are undertaken within these social-business contexts.

Such state of affair creates fear and increases the risk of heavy business loss and above all creating social instability among the city dwellers. While provision and protection of life and properties are the duty of the state; citizen should enjoy and be guaranteed of such constitutional right. The state through its machinery is constitutionally duty bound to protect the life and properties of its citizens. The extent to which such state's obligation is implemented remains rhetoric and as such it is difficult to ascertain. Again within the framework of Poverty Reduction Strategy Paper (PRSP); Small and Medium Enterprises Policy-2002 (Small business); Roadmap in the Informal Sector, 2002 (RIS), the state authorities are obliged to create and maintain sufficient leverage for sustainable private enterprises and stimulate entrepreneurship growth. It is within the context of such framework this study was designed in order to explore the gap between such state's obligations to protect the life and properties of citizen (provide safety and security) on one hand and the entrepreneurship and small business development on the other hand.

1.3 Objectives of the Study

The main objective of study was to explore and describe prevalence of Crime and assess the intricate connection between crime and violence on entrepreneurship and small business development.

Specifically the objectives of the study included:

- To conduct situational analyses of the place where entrepreneurs and small business prefer to conduct their business and the reason for such preferences.
- To explore safety and security measures in place that can protect entrepreneurship and small business in Dar es Salaam City.
- To explore types and forms of enterprises and small business conducted in the city of Dar es Salaam.
- To explore types and form of losses suffered by entrepreneurs as a result of crime and insecurity problem.
- To explore and describe how crime is conceptualised by both entrepreneurs and city authority officials.

1.4 Research Questions

In order to shed light and examine clearly the impact of crime and violence on entrepreneurship and small business development, two main research questions that related to problem areas were identified. One of the problem

areas was preference of entrepreneurs to conduct their business in a certain area and the reasons behind that preference. And another area was about the availability of security system and measures in the areas where entrepreneurs prefer to conduct their ventures.

For analytical and study purposes, the main problem areas were operationalised into sub questions related to the two areas of interest. The researchers kept on referring to these questions throughout the data collection phase, analysis and finally in the drawing of conclusion and recommendations of this study.

Problem area: Preference and reason to conduct business venture in certain areas of the city.

Main question 1: Why entrepreneurs and small traders prefer to conduct their ventures in certain areas to others?

Sub questions:

- What are the popular areas in the city of Dar es salaam do entrepreneurs and small traders prefer to conduct their business? And why?
- How do entrepreneurs define safety and security/crime?
- What are specific types and forms of crime and violence do entrepreneurs encounter?
- Who are the most victims of criminal behaviour among male and women entrepreneurs?
- Who are the most crime perpetrators in the city?
- What are the motives for crime perpetrators to commit such crime?

Problem area: Availability of safety and security measures around petty traders' business areas.

Main question 2: Do state and city authorities provide sufficient security measures to protect entrepreneurs and small traders?

Sub questions:

- Who are perpetrators of criminal behaviours to entrepreneurs and small traders in the city of Dar es Salaam?
- Is city authority aware of the problem of crime and insecurity to entrepreneurs and small traders?
- What types of security system do city authorities deploy to protect petty traders and their merchandize?
- What are the strengths and weaknesses of such security systems?
- What is the city and state authority's response to the problem of security at the petty traders' business areas?

1. 5 Crime, Entrepreneurship and Small Business Scenario in Dar es salaam.

The city of Dar es Salaam is the economic base capital of Tanzania. The city makes use of the natural harbour along the Indian Ocean. According to 2002 national population census the city has 2.49 million inhabitants with annual growth rate of 4.3%, over a surface of some 1350 square kilometres including 8 offshore islands (National census, 2002).

Like many other cities and towns in Sub Saharan Africa, Dar es Salaam has experienced a rapid proliferation of small and medium enterprises. These ventures feature in the form of petty trading (hawkers and vendors) in the streets, food-vending trade (*Baba and Mama lishe*). The situation is such that, petty traders (hawkers cum *machingas* and food vendors cum *Baba/ mama lishe*) start and conduct their business in a very pathetic condition. They conduct their business wherever they think potential customers can see them. Most streets in Dar es Salaam City centre are very overcrowded to the extent that pedestrians and vehicles are forced to share roads. Jamhuri Street, Msimbazi, Uhuru girls school, Kongo street, Tandamti, Azikiwe Street just to mention a few, are among popular places scattered by petty trading.

Although petty traders have habitually occupied these places, city authorities have been very bitter, accusing petty traders of making the city shamble and unordered. City authorities with the assistance from regional government have been trying hard to remove these vendors to other areas a little bit far

from city centre, but such efforts have been in most cases unsuccessful. The vendors complain of the problem of insecurity in the new places directed by city authorities. Petty traders complain that in most cases they have been losing their already inadequate business capital due to grabbing and looting practices conducted by group of gangsters. The problem of insecurity and criminality in Dar es Salaam is not new. Its obnoxious effect on entrepreneurship development is far reaching. For example, *Mwananchi*, which is private-owned Dar es Salaam daily tabloid, recorded incidences whereby petty traders, some of them officially licensed were invaded by young mobsters and looted away all their merchandize. Such incidences happened at Mchikichini area in Dar es Salaam City. The fracas culminated in squabble fighting between petty traders (*machinga*) and grabbers. Of course petty traders experienced heavy losses and of course at least 17 casualties were reported. Petty traders vowed to take law in their hand should robbers continue to grab their merchandize and state security authority just remains without taking proper action against perpetrators (*Mwananchi*, July 12, 2002). The ferocity of this event was clearly linked to lack of security measures on the part of city and regional government authority. Recent rejections of food vendors (*mama lishe* and fishermongers) at Kivukoni new fish market complex contextualize further the problem of insecurity in Dar es Salaam. *Mama lishe* and small fish sellers rejected offer from Ilala Municipal council to sell their merchandize outside new market complex premise. They told the Minister in charge of poverty reduction that their concern is security as the area they are given is full of criminal *spivs* who are experienced in raiding and looting¹.

Violent crime and delinquency threaten the quality of life of urban dwellers in Dar es Salaam. During the 1990's, the annual crime increase in Dar es Salaam was 8.4% (Habitat, 2000). Not only this diverts scarce resources from urban social development, but it also constitutes a serious impediment to the city's economic development and prosperity of small business undertaking. Previous research indicates that violence and crime in Dar es Salaam city is escalating (Cf: Safer city Programme-Habitat, 2000; BIEA/IFRA conference proceeding, 2002).

¹The incidence was reported by ITV and some news media (date to be identified). Hon. Maokola Majogo (Minister-Vice President office-Poverty Reduction) was making an inspection tour of the market complex constructed under Tanzania - Japanese bilateral development cooperation. Various regional and city authority leaders escorted him.

The roots of such violence may not clearly be understood but declining incomes and work opportunities, and consequent frustration, particularly on the part of the youth, are important factors. Urban violence and crime have implications for national security, which in turn can affect national economies through negative impact on tourism, entrepreneurship and consequently fewer employment opportunities are created.

1.6 The Role of Local Authorities in Safety and Security Issues

In Tanzania the relationship between central government and local government structures is complex to explain at least in a short review like this one. At time these political institutions overlap in their functions like taxation, control of law enforcing agencies and the like. It can be enunciated that most of the functions and responsibilities relating to security and safety are still in the process of institutionalisation. Currently the existing structural system provides that, the District Commissioner is a chairperson of the District Development Committee including the Defence and Security Committee. These Committees are accountable to the President of the Country.

The Divisional Secretaries are answerable to the District Commissioner on matter of safety and security and link with Ward Executive Officer (WEO) on matters related to safety and security in their Wards.

The Administrative structure of Dar es Salaam city Council with its three municipalities of Ilala, Kinondoni and Temeke is headed by Honourable City Mayor, with an Executive Director appointed by the President. The City Council is hydra headed, meaning that the City Council is an umbrella housing three Municipal Councils. Every Municipal Council is headed by politically elected Honourable Mayor and Presidential appointed Executive Director. All in all, the Councils are accountable and answerable to Minister for Regional Administration and Local Government (PO-RALG). At lower tiers of the administrative structure are Ward and *Mtaa* or *Kitongoji*, leaders are appointed and accountable to Municipal Director.

The administrative structure and set-up aim at bringing local government authorities closer to people and involving people in decision making and nurturing their development. These participatory initiatives are essential in making development activities substantial and sustainable. The *Mtaa* leaders for example, are required to be involved in the **identification, planning, implementation, monitoring and evaluation** of safety and security issues in their jurisdiction.

It is through central government and local government structure, the city council, for this matter, fulfils its obligations for maintaining peace and order in its jurisdiction areas as stipulated in the Local Government Act of 1982,...² It shall be the responsibility of each urban authority as a local government authority....to maintain and facilitate the maintenance of peace, order and good governance within its area of jurisdiction". For the purpose of better executions of its functions, a local authority shall take all such measures as in its opinion are necessary, desirable, conducive and expedient...for the suppression of crime, the maintenance of peace and good order and the protection of public and private property lawfully acquired"³.

Table 1: Dar es Salaam Administrative Structure

District/ Municipal area	No. of Division	No of Ward	No. of Mtaa	No. of villages	No. of Vitongoji	Population mil. (est),.2002
KINONDONI (521.695Km ²)	4	27	113	14	14	1.08
TEMEKE (786.515 km ²)	3	24	97	15	62	0.78
ILALA (272.677 km ²)	3	22	65	9	27	0.62
Total	10	73	275	38	103	2.49

Source: Compiled from various resources including Ilala, Kinondoni and Temeke Municipal comprehensive Health Plan 2002/3; Dar es Salaam region profile 1999; Environmental Profile for Dar es salaam City 1998/99.

Local Initiatives Currently in Force in the City of Dar es Salaam.

As provided for in the Acts establishing local government council and its supplementary and government-gazetted notice, Dar es Salaam city council and its three Municipalities have established several initiatives for maintaining

²Act 1982 section 5 (1) (a) and 54 (2) (a)

³Section 54(2) (a).

⁴UNCHS (Habitat) has an extended programme (Safer Cities Dar es Salaam). More detail can be available through contact with its Head Office in Nairobi.

peace and order. "The City Council has moved towards reinforcing law enforcement and Policing in the city, as well as facilitating crime prevention initiatives and supporting community initiative in this respect..."(sic)⁴. Dar es Salaam City has finalised the process of hiring City Auxiliary Police. As at now the city is still using its local militia (*city askari*). At what appears to be like pragmatic reactive approach to enforcing peace and security, thus controlling the crime, the Regional government through its lower tiers channel has re-instated the slummed local vigilante for night patrol (*sungusungu*). The local militia of the city are used in complementing the Police in the areas of:

- Enforcement of city by laws
- Targeted patrol
- Guard duties
- Crackdown on violators of some city by-laws such as trading licences, environment destruction, violation of building regulations and many others.
- Enforcing crime prevention initiatives through various means such as public meetings, media communication, outsourcing security service.

1.7 Significance of the Study

The significance of any study is derivative of the contribution and the normative value a study adds to existing knowledge, stimulates and attracts attention to a particular problem(s) in a society and even the motivation value of the study favoured by the researcher. This study is important in following ways:

- (i) There are very limited (of course to researchers' knowledge) studies ever conducted in Tanzania that have addressed the issue of criminality and entrepreneurship development.
- (ii) The study has used an ethnographic approach, the approach is relatively new to be applied to study entrepreneurship in Tanzania; therefore it would generate a new insight to the understanding of the issues on crime and entrepreneurship development.
- (iii) The study is a case study, that being the case it would form a benchmark for further researches on the issues concerning crime and entrepreneurship development.

1.8 Theoretical Conceptualization

Entrepreneurship is considered as the driving force behind changes in the economy as well as business environment. The term entrepreneur has evolved over the years to be used to mean an individual (group of individuals) who has the ability to see and evaluate the business opportunity existing in the environment and take advantage of it. An entrepreneur is considered to be a person with ability to take risk of organizing resources into business venture and manage it with the aim of being successful. The question of success here becomes *axis mundi* and the prime goal and vision of every entrepreneur. Entrepreneurship can operationally be defined as the ability or attempt to create and manage a new venture. It is linked with the qualities and activities of entrepreneur, that is, to see an opportunity and being able to benefit from it.

Practitioners share some common understanding when they describe entrepreneurship. Discourse on this newly evolving subject can take us long to pursue. For example Thomas Zimmer and Norman (1996:52) describe entrepreneurship as a result of being disciplined and systematic in the process of applying creativity and innovation to needs and opportunities in the market place. It involves not only applying focused strategies to new ideas and new insight but also creating a product or a service that satisfies customers' needs or their problems (ibid).

Ventures exist and operate in the environment that is characterized by many variables/factors. Such factors are like legal requirements in force at a particular administrative area, security and safety reliability in the business area, customer and consumer attitude toward the merchandize and environment, pricing and capitalization structure of the venture and many more. These variables determine the success, growth and failure of any business establishment. It is essential that entrepreneur set forth the effort to understand these factors by using various approaches like scanning the environment. The entrepreneur should as far as possible identify strengths, weakness, opportunity and threats of his venture before and after he has started the enterprise.

On the factors that lead to success of entrepreneurship and business venture, various studies provide different frameworks and factors. The critical examination and analysis of them provide the following as common factors: Formation of business organization, developing training programme for individual entrepreneur, mechanism to enhance availability of capital fund to

entrepreneurs and small business (access to credit), linking entrepreneurs to information and technology (also see cf: Kimeme et al, 2003) and provision of access to market (UN Economic Commission for Africa)⁵.

Other studies suggest that any one can become an entrepreneur! However, reports slight differ in terms of age, sex, competence and level of capital leverage as among the distinctive features among groups of entrepreneurs when placed together. However, from reviewed body of literature and practical observations and experience especially in Tanzania, there are various models and conceptual frameworks that identify and explain the intricate connection and relationship between crime/security, and entrepreneurship and small business development. For example, it can be argued that when capital, managerial and financial competence, planning, (market) information, and customers are put together, small business venture can prosper. At the apex, there seems to be factors linked to individual entrepreneur and those linked to environment and institution. The latter can be regarded as supportive/facilitative factors. Generally, the concept of Crime has become ambiguous. There is great confusion on what is a crime and criminal. For example, a criminal is not necessarily someone who commits a crime but is the person who gets caught (Leon, 1996).

Crime and violence, especially that affecting the equation of human security and mutual vulnerability, are on the rise. Depressed economic conditions make crime a lucrative opportunity for some and the only opportunity for many. Once internalised as a social practice, crime becomes part of the culture and a persistent systemic condition. There is widespread agreement that crime has worsened significantly in the last few years at every level from petty street crime to large-scale government corruption. Violent crime and delinquency threaten the quality of life of urban dwellers in Dar es Salaam (Anderson, 2000). The numerous consequences of urban violence include lost investment and urban decay, fear and insecurity and the link between petty and organized crime. Central business areas, such as Dar es Salaam city, have experienced heavy economic loss due to insecurity environment.

⁵For more detail on these factors and framework, see Conference report on 'African and Economic Development: Investing in Our Future African Centre for women' United Nation April - May 1998.

The state security system such as police force has proved to be not adequate to deal with the escalating rate of young mobsters. The development of private security systems, which are profit oriented and only catering for well and large business enterprises has complicated the matter, since it is only the affluent communities which benefit from this service. Local and multinational security guard enterprises have entered this profitable market, creating new regulatory problems and in some cases open conflict with state bodies in charge of security.

The school of thought that describes literature on crime is very rich with each author trying to persuade and build empire on ownership of the school. Sociologist school is impressive that it connects crime with life of common town dwellers (cf: Leger, 1996).

There is a thesis that those involved in petty crime were usually the marginalized of sect in the society. These groups include the poor who tend to resort to petty theft or illegal activities simply to survive or to complement meagre incomes. There are several explanations that attribute the acceleration of crime in urban centre. For instance there are those who attribute it to the widening gap between the rich and the poor. Those subscribing to that idea argue that delinquency has become part of a broader process of social decomposition in which people collectively adapt deviant behaviour because there are few opportunities to obtain their goal legally. What is evident is that the rising levels of crime and violence have a deep impact on the urban environment.

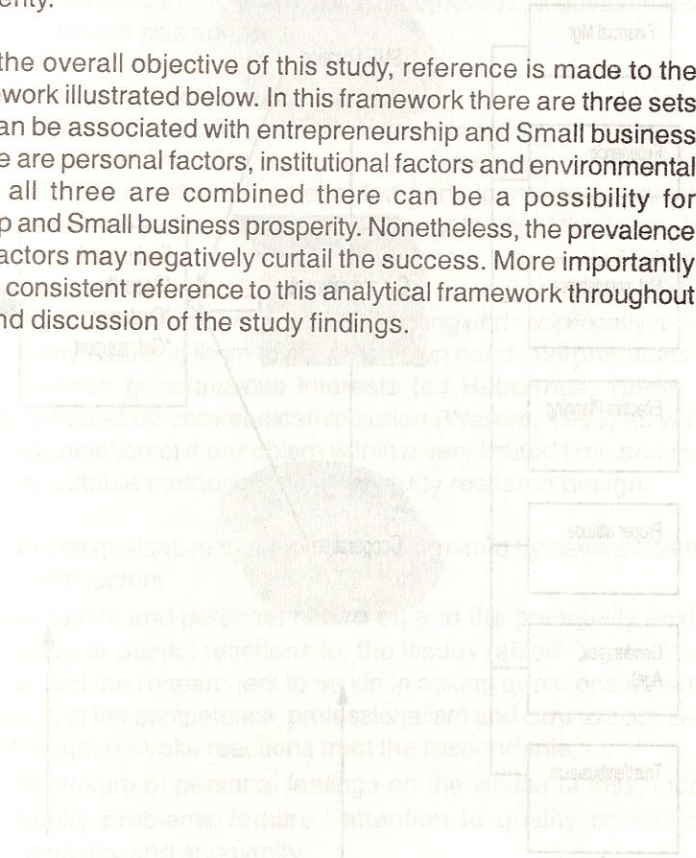
Concerning crime in cities, contrary to politicians' notion and advocacy that cities in East Africa are safer, recent studies provide adequate synopsis to the contrary. For example, Andersson asserts that violent crime and delinquency threaten the quality of life of urban dwellers in Dar es Salaam (Anderson, 2000). The numerous consequences of urban violence include lost investment and urban decay, fear and insecurity and the link between petty and organized crime.

1.9 Analytical Framework

The purpose of this study is partly to explore and partly to describe the intricate connection between crime and entrepreneurship and small business development. As stated in the introduction, the wants to describe the experiences of entrepreneurs and small traders with regards to crime or more narrowly safety and security. More specifically the study bases on the following questions: What are the factors for successful Small business?

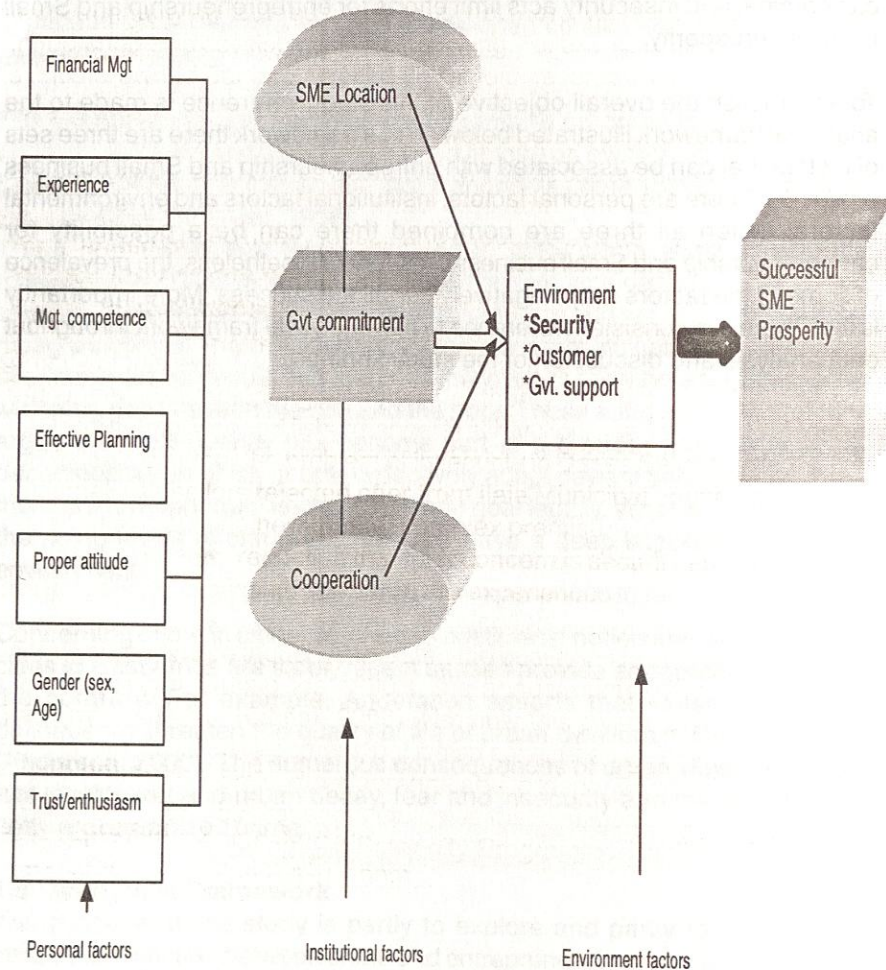
Who are the main actors in entrepreneurship and Small business? Who are the actors in crime perpetration? And what is the government (both local and central) doing to suppress or rather mitigate the escalation of crime in the city? In addition, the study assesses the outcome (impact) of crime on entrepreneurship and Small business development. That is, to what extent can criminal and insecurity acts limit efforts for entrepreneurship and Small business prosperity.

To accomplish the overall objective of this study, reference is made to the analytical framework illustrated below. In this framework there are three sets of factors that can be associated with entrepreneurship and Small business prosperity. There are personal factors, institutional factors and environmental factors. When all three are combined there can be a possibility for entrepreneurship and Small business prosperity. Nonetheless, the prevalence of some of the factors may negatively curtail the success. More importantly is that, there is a consistent reference to this analytical framework throughout data analysis and discussion of the study findings.



Source: Adopted and modified from Giachino and Katsaridou

Fig.1 Relationship of factors influencing successful SME



Source: Adopted and modified from Giacuchino and Kakabadse, 2003

1.10 Study Design and Methodology

The study focused at specifically exploring and describing the prevalence of crime and how entrepreneurs connected it with the success of their venture. In essence, that implied examining the relationship between crime and entrepreneurship and small business development in Tanzania, specifically in the city of Dar es Salaam. To achieve such objectives, a qualitative case study design approach was adopted.

1.11 Data and Data Collection Strategies

Being an exploratory, this study used ethnographic survey and discourse-analytical approach in the data collection and analysis (cf: Potter and Wetherell, 1987). The methodology-enabled participants in the research process (e.g. interviewees) to give their inner insights about the issue under investigation and at the same time the researchers were able to explore other issues outside the research context. The approach is of "ideal role taking" in which participants are engaged in checking and reciprocally revising their ideas thereby enabling them to alter their own need interpretations and to discover common generalizable interests (c.f Habermas, 1995). The methodology is based on communicative action (Warren, 1995) as well as allowing the examination of the problem within a very limited time and space therefore it is a suitable method in the case study research design.

The decision to use qualitative methods was determined by several strategic and environmental factors:

- The sensitive and personal nature of, and the potentially anxiety-provoking or painful reactions to, the issues raised. These factors demanded the researchers to be kin in asking questions as well as adhering to the competence, professionalism and care to such issues which might provoke reactions from the respondents.
- The disclosure of personal feelings on the issues of loss, income and family problems required attention to quality control over confidentiality and anonymity.
- The need to recognize that entrepreneurs are a heterogeneous group and have different experiences, attitudes and perceptions, different background, all reflecting their own socio-demographic and economic diversity.

Qualitative methodology was argued to be better suited to ethnographic and exploratory studies. Initially, however, the plan was to use self-administered questionnaires and focused group discussions to a sample of entrepreneurs and officials, but later it was discovered that focus group discussion methodological tools could not work due to nature of respondents and other contextual factors such as place and time limitation. Following input from small business men and *Mama Lishe* who were met initially, it was evident that the decision to use focus groups and self administered questionnaire had to be reviewed due to the fact that the process demanded initial arrangements, including making appointments with respondents. In actual fact, it was not practically possible as small traders were so scattered and some of them were in a very high tension and alert for any sign of appearance of city *askari*. After all they were not prepared to accept any thing or any body other than the customer to their merchandize.

Secondly, the use of focus group discussions (which works well after in-depth interviews) was unsuitable in this study due to nature of respondents of whom the majority were not prepared to disclose fully their personal demographic details and experience (including type of losses they experience) in a group setting.

After taking some revisions on the implemented methodological strategies (in-depth and one-to-one interviews), the leaders of the small business associations were interviewed and the results were combined with those of the researchers' guided and self-administered questionnaires to entrepreneurs and small business undertakers. The former method (in-depth interview) provided detailed information on experience, nature and state of crime and entrepreneurship while the latter (one-to-one interview) provided general information including socio-demographic profile of respondents. The methodology also included a series of semi-structured interviews, which were conducted to 7 city authority officials and 6 leaders of small traders' organisations. Three leaders were from VIBINDO (Dar es Salaam Small Industries and Business Association) and the other 3 from unregistered Mchikichini Small Traders Union (TAWADA), as a new category of participants and respondents. Initially leaders of Mchikichini Small Traders Union could not easily be available due to their tendencies of evading interviewers, but using a network of 'informers', we were able to hold interview with three of them.

The questionnaires (*see appendices*) were designed to collect a combination of both quantitative and qualitative data on issues described in the research questions. The data included categorical, multiple choice and open-ended questions. These were administered by researchers with the help of one assistant researcher recruited and given orientation on how to administer and take some field notes when the situation or the question demanded so. Two groups of questionnaires one for officials in the Municipal Council (administered as guided interview) and the other for small business and entrepreneurs were designed and administered successively. These were administered in the month of March through June 2003. The questionnaires were designed and tested empirically at Morogoro Municipality and due to time and resource constraint; the same questionnaires were reviewed for refinement. The nature and form of questions in the questionnaire and interview guide allowed for both statistical and qualitative analysis of the data.

One set of early challenges faced by the researchers was a definitional one, which had implications for the study sample. In Tanzania, there is no common or standardized definition of a 'small business'. Or is any body conducting small business an entrepreneur? It is common to associate small business with "*machingas* (hawkers) who walk a long distance with their merchandize or displaying their merchandize on open floor" (sic) or people selling food in an open space (*Mama/baba lishe*). In the context of the lack of verifiable and standardized definitions, the researchers adopted the following parameters that defined small businesses, namely, that they:

- Were conducted in place other than inside premise
- Have no permanent licences from licensing trade authority
- By eye observation, the capital outlay fall in the category of small business
- All food vending businesses (mama and baba lishe)
- All second hand clothes (*mitumba*) sellers
- All hawkers (*machinga*)

1.12 Study Population and Sample

In this study the population for the study comprised of all entrepreneurs and small business dealers. The researchers started with a general idea of what people to interview, which was for this case, entrepreneurs and small business undertakers. The strategy of theoretical sampling (Robinson, 1993) was used as a guide for selecting people to interview. According to this approach, the

actual number of 'informants' to be interviewed is relatively unimportant; what became relevant is the contribution of each informant to the development of theoretical insight for the researcher, and also practical insight of the informant in relation to the area of concern. The number of participants was defined as the study progressed and when the findings demanded until a full range of perspectives was covered. This approach was common after experience had shown that holding interview with more and more participants did not necessarily produce new insights. Therefore the "sample" used in the study could be described as convenience, non-probability sample which was selected randomly. It should be recalled that researchers were not dealing with hypotheses, but research questions. A total of 130 respondents among small business group were involved. In addition 13 informants comprised of 7 officials from Municipal Councils and 6 leaders of small traders' organisations were involved in the study. In addition to interview, systematic review of some written documents, such as by-laws governing the conduct of small businesses from the three Municipals was done.

1.13 Data Analysis

With regard to data handling, coding, capturing and analysis, the procedures and techniques developed by well-established qualitative research studies were followed. The actual process adopted for the collection and analysis of primary data obtained from the interviews and questionnaires followed the established and traditional techniques and procedure outlined by Wrightson (1976), Huff (1990), Strauss and Corbin, (1998) and modified accordingly to suit the nature and context of the problem under examination in this study. For example responses from interview were recorded and transcribed by the interviewers before being coded using general principle of data codification and capturing proposed by Strauss and Corbin (1998:19-23), that is, using a coding sheet developed organically and interactively from the transcriptions. Analysis of data was conducted using three techniques namely:

- Content analysis (cf:Krippendorff, 1981) which permitted analysis of written and spoken texts for frequency and consistency of themes, ideas or opinions.
- Discourse analysis (cf:Potter and Wetherell, 1987) which permitted analysis of discourse surrounding the responses made by participants.
- Cognitive (causal) mapping technique. Cognitive map provides a framework within which experiences can be highlighted, understood and appreciated in depth (Weick, 1990:5); and allows one to move

back and forth between the understanding of the whole issue and its reduction by parts (Huff and Fletcher, 1990:404). Given that causality is the primary form of *post hoc* explanations of events (Ragin, 1999; Huff, 1990), and causal mapping is concerned with representing cognition as a set of causal interactions (Jenkins, 1994:2). Since this method was considered appropriate for this study, researchers modified and applied it to capture perception and opinions of officials, entrepreneurs and small business group toward crime and security in the city with respect to small business development.

Moreover, computer software packages particularly 'Statistical Package for Social Sciences (SPSS: Version 9); MS Word 2000; were used in the analysis. Being a tradition to qualitative and exploratory studies, presentation of findings and interpretation were done using 'narrative approach (*text in-pro*), descriptive statistics-cross tabulation and graphs.

1.14 Limitations and Some Methodological Challenges to the Study

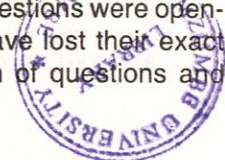
Although effort was made to ensure that the study went on successful and the data and their subsequent handling and interpretations of the findings were as reliable and viable as possible; the study was affected by certain limitations.

Generalizability

One of the limitations of this study emanated from its nature and design. Being an inductive and case study, the possibility of generalizing the conclusion is minimal. Although the findings suggested and gave impression of the magnitude and impact of crime and insecurity in the urban centre, that is Dar es Salaam, one cannot conclude that the same phenomenon is prevailing to the same tune to every urban centre. More perhaps deductive studies are needed in other towns and Municipalities if general and certainty conclusion is needed.

Questionnaire

The original questionnaires were designed in English. Of course, various discrepancies and misinterpretations might have resulted from the translation process as questions were from English to Swahili, then answers were translated back to English for recording. Some of the questions were open-ended and required detailed answers, which might have lost their exact meaning in the translation process. Direct translation of questions and



concepts was not always possible and the responses from participants were also difficult to translate into English. Consequently, the questionnaires were long and comprehensive. Petty traders like *Machinga* were usually not motivated to calmly sit for long time especially if they found questions boring or could not see any immediate touch with their selling of their merchandize. This was the case of petty traders at Ubungo Dala dala terminal and Mama Lishe at Zanaki Street in city centre. Many were in a hurry (for example to serve their customers, or looking around for any sign of appearance of city *askari*). Another limitation was that petty traders and mama/baba lishe did not care to answer the questions correctly. Sometimes respondents, especially *machinga*, enjoyed elaborating on the life hardship or lack of credit to support their business or even how they perceived city *askari* and police, in order to impress interviewers.

Nature of the subject

The nature of subject contributed partly to realisation of our objectives. However, the subject was so emotive and sometimes respondents were reluctant to respond accurately. For example, it was difficult for small traders and entrepreneurs to reveal precisely what forms of crime they had encountered as well as who perpetrated the crime, perhaps their perception was that the interviewer was sensing them and they might be summoned to provide evidence before the court of law.

Resources for the study.

It should be mentioned that any research study partly depends on the amount of resources made available and committed to it. Though the financial resource did not affect the findings, it is true that financial resource was not sufficient. The abrupt cut off on the earlier proposed budget not only affected the timely delivery of the research report but also probably the quality of the report in terms of typing and other graphical tunes. The researchers had to work in a very tight and probably difficult situation to produce this research report.

PART TWO: STUDY FINDINGS

2.0 Introduction

This section details the findings of the study. In the first instance a compilation of the demographic data and background information of entrepreneurs and small business vendors is provided in order to build entrepreneurs' profile. It is important to emphasize that this profile is not a representation of all entrepreneurs in urban areas, but it may give some highlights on the reasons to why certain phenomena happened the way they happened. Secondly, specific detailed findings and brief discussion on each subject are presented.

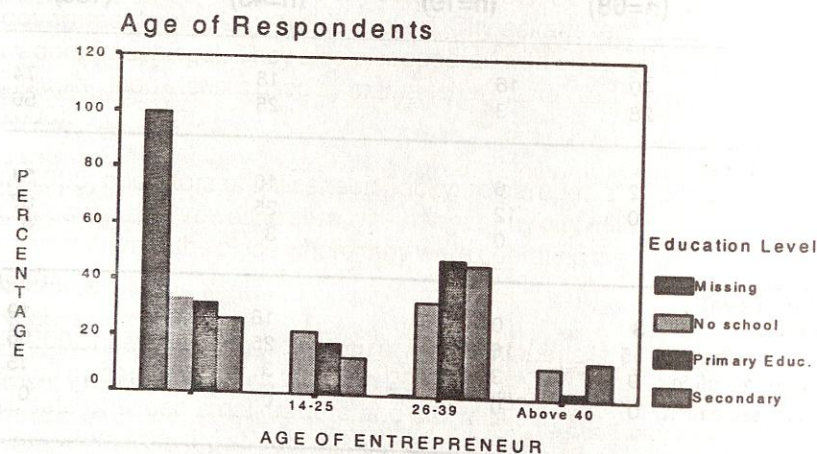
TABLE 2: SOCIO-DEMOGRAPHIC CHARACTERISTICS OF THE SAMPLE

	Temeke (n=68)	Kinondoni (n=19)	Ilala (n=43)	Total (130)
Sex				
Male	40	16	18	74
Female	28	3	25	56
Age group (Yrs)				
14-25	12	6	16	34
26-36	50	12	25	87
Above 40	6	0	3	9
Education Level				
No schooling	3	0	16	19
Primary education	55	16	25	96
Secondary education	9	3	3	15
Above sec. education	0	0	0	0
Marital status				
Married	34	6	25	65
Single	34	12	16	62
Widowed	0	0	0	0
Divorced	0	0	3	3
Duration in venture				
1-5 years	40	12	22	74
6-10 years	9	6	16	31
Above 10 years	19	0	6	25

Source: Compiled by researchers from data collection instruments

It should be noted that the demographic characteristics of respondents were collected at the time of interview. The demographic data cannot be used to indicate exactly the intricate connection between crime and entrepreneurship as such, but it helps to capture some insights into how the respondents of the interview and questionnaire were at the time of the research study. Qualitative information would suggest that majority of entrepreneurs and small traders were predominantly male (56%) of middle age (mean age 30 years). In addition, the majority of respondents were primary school leavers (73%). This finding corresponds to the findings from other studies conducted in Tanzania (cf: Kuzilwa 2003). As well the study found that most of respondents (57%) had stayed in entrepreneurship within 1-5 years.

Fig. 2: Age and Education Level of respondents



2.1 People enter into Small Business because of inadequate education and lack of alternative employment

Case 1: Jumanne's Motive To Start Mitumba Business

Jumanne is 24 years old and completed his primary education in 1993. Due to the fact that his parents are engaging themselves in subsistence farming, they could not manage to send him to secondary school. He just stayed in the village for two years engaging himself in shamba activities.

Fortunately, in one Christmas occasion his uncle, Ali who was already in Dar es Salaam employed as a shopkeeper, visited the village and met with Jumanne. In this encounter, Ali encouraged Jumanne to go to Dar es Salaam, where Uncle Ali promised that he could find Jumanne a job in the shop where he (Uncle Ali) used to work.

Basing on the promise, Jumanne was given and the fact that he was tired with the hardship of life in the village, the young boy (Jumanne) saw the offer he was given by his uncle as a blessing and without hesitation he moved to Dar es Salaam immediately. While in Dar es Salaam, things could not be as expected and Jumanne could not get any formal employment as promised by uncle Ali. After a year of being aimless in the city, Jumanne broke the silence by suggesting to his uncle that "it could be better if he engaged himself in the Mitumba selling because he was only standard seven leaver and was unable to secure any formal employment as expected, therefore, the only way he could make the ends meet was for him to have at least something to do.

However, Jumanne revealed that things in the mitumba business are not as smooth as expected. He acknowledged encounter of some problems, for example, sometimes some people pretended to be customers and came along the barrels of mitumba and pretended to be very busy sorting the mitumba. Due to their hidden motive they could hide some of the mitumba in their bags. To try to minimize this sort of snatching, Jumanne said that they normally, with other mitumba sellers, engaged some young boys who normally, stayed around the barrels to observe how customers behaved and if they saw anything bad informed the mitumba sellers so that they could deal with the one who wanted to steal while pretending to be a customer.

(Manzese Darajani May 2003)

2.2 The motive to conduct business in a particular place is mixed and not clear among small traders.

Probably what made entrepreneurship and small business much worrying to public health and city authorities, was the behaviour and practice of the undertakers to set their business anywhere in the city.

In Dar es salaam and other towns in Tanzania, the small business merchandizes were everywhere! Along the road sidewalk, at bus stop waiting stalls, at major road junctions (at traffic lights) and even in public offices. It

was possible to find clothes for sale displayed at a place with a big placard reading 'It is prohibited to conduct business at this area'. The movable kiosk stalls were scattered everywhere. In most of these kiosks, the proprietors usually slept inside during the night. Some kiosks' owners attended natural call underneath parked trucks. These kiosks were usually moved and stalled during the night when city fathers had gone to sleep. Some times these kiosks posed threats to the big licensed shops, as they tended to have similar items, sometimes with relatively cheaper prices.

To reduce the threat, untrustworthy and incredible big business shop proprietors colluded with kiosk and other itinerant hawkers. The vendors were given items from the shop and sale them outside. This tactics enabled them to evade tax. The only benefit the vendors accrued was additional money when they happened to sale above what had been ordered by their boss (*kidogo dogo cha juu*). With all these problems, it could be argued that probably city authorities had good reasons to evict the small traders.

As part of our specific objective, we wanted to get insight from entrepreneurs and small business undertakers themselves of their most preferred areas to conduct their business. It is common to hear and read in the media about small traders complaining of the failure of city authority to provide and designate places for them to conduct their ventures. The findings were quite mixed and worrying. For example, when the results of the interview were cross tabulated the fact was easy to grasp.

Many of the small traders interviewed indicated that they preferred to conduct business along the major road (42.2%). However it could be observed that the return on their capital and profit margin was relatively low (36.1%). Close examination revealed that the security threats along major road were comparatively lower (26.6%). The findings further indicated that where the security was high (allocated places 46.1%), the places attracted very few traders, probably because of the low return on capital and low profit (7.2%) or probably because of other reasons. Why small traders would be prepared to face and absorb high risk and authority's consequences than refraining from conducting business in the areas they preferred remained unclear at least within the context of this study!

Empirical case was one respondent who through interactive discussion with the researcher aptly and confidently made the following statement:

Since I started my business, I have never moved to any other place and I do not have any intention to do. The workers in these offices are my good customers. Yes I get good profit by just selling these neckties and mobile phone suits. Although this place is prohibited by city council and city askaries make constant raids. I survive because I can easily run and hide behind these buildings (he shows the buildings to researcher) and when picture gets caput (tactics fails) I lubricate them with something (kidogodogo) and then they leave me alone! Yes that's how we survive in the city (22 year old - male, along Samora Avenue).

Table 3: Preferred Places and Motives for Business

	Preferred place for business in the city areas		Motive to conduct business in the area (return on capital and profit gain)		Major concern in business (security and safety)	
	Count	%	Count	%	Count	%
City centre	31	24.2	62	37.3	35	27.3
Major roads	54	42.2	60	36.1	34	26.6
Alloc.Area	18	14.1	12	7.2	59	46.1
Any where	25	19.5	32	-	-	-

Source: Computed from Field data March - April 2003

Case 2 : Mashaka in Small Business/Entrepreneurship

Mashaka was a young man aged 19 years. He had been engaging himself in small business in Dar es Salaam since 2000. Mashaka considers himself as a *machinga* as he used to walk around the city selling his sundry goods. Mashaka declared that he did not mind where to station his business as customers could be found anywhere in the trying to let people know what sort of goods he had on a particular occasion. Mashaka acknowledged that he was not the only *machinga* who did so, many of his colleagues used the same technique to market their products.

Mashaka also revealed that last year (2002) in the month of June when he was walking from Kawe to Mwenge where he went for business he met two people. They stopped him and ordered him to surrender all he had to them. One of the robbers put a knife along Mashaka's neck and threatened to cut his throat if he did not comply with their demands. Because of fear, Mashaka gave them the goods he had and the money which was about Tshs. 15,000/=, and the two people walked away leaving Mashaka empty-handed. Mashaka then said that since he was only standard seven leaver, he did not qualify for most of employment opportunities which needed someone who had at least gone up to form IV.

Though he got that problem of being robbed virtually everything, Mashaka asked his colleagues to assist him so that he could start his business afresh.

Mwenge Daladala Stand April 2003

2.3 Any entrepreneur can be a victim of criminal acts:

The results from survey of 130 respondents indicated that 81.5% of the respondents had the opinion that any petty trader was a victim of criminal behaviour. Moreover the findings justified this stand by revealing that 36.9% and 24.6% of the respondents, on the issue as to whom committed crime, answered either anybody or difficult to tell respectively. This means in a nutshell that any person ranging from *spivis* and thugs, city *askaries* and others who pretended to be potential customers could commit acts, which could be regarded as crimes by the recipients of the doing, that is, entrepreneurs.

Fig. 3: Victims of Criminal Behaviours

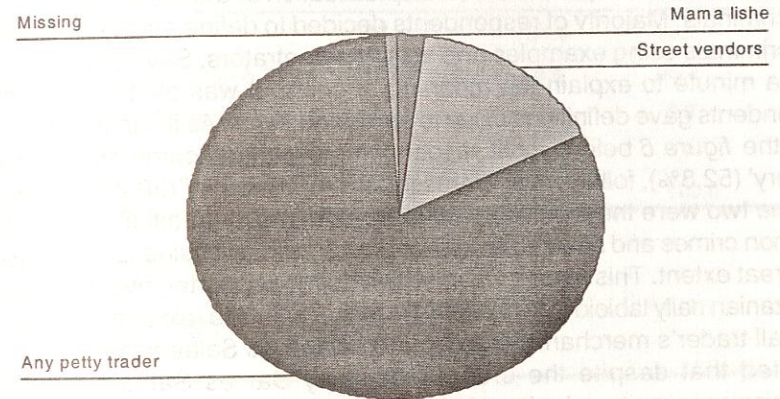
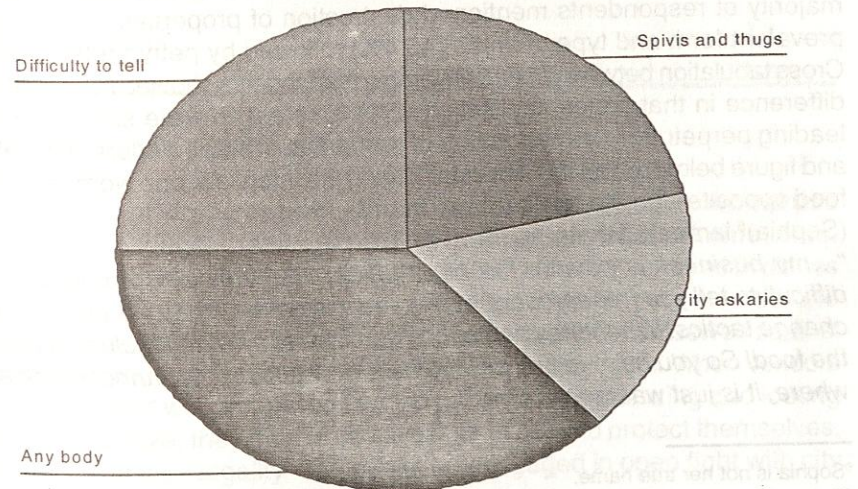


Fig. 4: Who are the Criminal Committers



2.4 Entrepreneurs define crime and criminals in different ways

How entrepreneurs and small business defined crime?

At the outset entrepreneurs and small business undertakers were asked to define crime and who were the criminals threatening their venture. This was done in order to avoid researchers' own pre-conceptualisation and allow for the exploration of respondents' conceptualisation of what constituted crime and criminals. Majority of respondents decided to define and explain crime and criminals using examples and acts of perpetrators. Several used more than a minute to explain the meaning of crime. It was evident that most respondents gave definitions close to *spivis* and *thugs*. As it can be observed from the figure 6 below, most respondents explained crime as 'forceless robbery' (52.8%), followed by 'Harassment by *City askari*' (36.2%). It seems that the two were the highly ranked forms of crime. In addition, these were common crimes and affected entrepreneurs and small business undertakers to a great extent. This finding was not new as it is supported by one report in a Tanzanian daily tabloid (*Mwananchi*, 5th June 2003). The raid and confiscation of small trader's merchandize is common in Dar es Salaam. Some stories asserted that despite the orders issued by Dar es Salaam Regional Commissioner to city *askari* to refrain from confiscating merchandize of small business undertakers, that move did not stop because city *askari* benefited themselves from that turpitude. Hence the fight between city *askari* and *machinga* is common.

On the description of type and form of crime affecting entrepreneurship, majority of respondents mentioned destruction of properties as the most prevalent form and type of crime (45.4%) followed by petty theft (36.2%). Cross tabulation between male and female respondents showed no significant difference in that conceptualisation (2%). City *askari* were said to be the leading perpetrators in destruction of properties of small traders. The table and figure below reveal the situation. During the Interview, one woman selling food opposite Ubungo bus terminal (Sophia)⁶ lamented that

"...my business is paying, the big problem is city *askari*, you know it is difficult to tell you (researchers) when and in what way they will come. They change tactics! When they come they can take every thing including eating the food! So you have to buy new utensils now and then. I cannot reach any where, it is just wastage of time."

⁶Sophia is not her true name.

⁷Refer also to case 2 in this report

Therefore it is evident that crime has a negative impact on entrepreneurship and small business development⁷.

Table 4: Understanding the concept of crime

Understanding of crime	Frequency	Percent	Valid Percent
Forceless robbery	67	51.5	52.8
Harassment by city askari & Police	46	35.4	36.2
Destruction of properties	8	6.2	6.3
Organ. robbery by spivis and thugs	6	4.6	4.7
Total	127	97.7	100.0

Source. Computed from Field data

Fig. 5: Type and forms of Crime

Type and Form of Crime	Frequency	Percent
Destruction of properties	59	45.4
Grabbing of properties	12	9.2
Petty theft	47	36.2
Open robbery	9	6.9
Ambush by thieves	3	2.3
Total	130	100.0

Source: Computed from Field data

5.5.5.6 None bridging option! - Small business proprietors would use some illegal means to protect themselves from criminal acts.

To the extent that small traders would like to conduct their ventures in places with good security, and where they could attract profit, they also tried to protect themselves from criminal threats. They protected themselves against *spivs* and any body attempting to jeopardize their endeavours. When vendors were confronted with any person for the purpose of vandalizing and looting their merchandize, they tried to use available means to protect themselves, irrespective of their legality. Sometime they engaged in open fight with city

askaris. In the course of doing that, they found themselves losing their merchandise; sustaining body injury and even being criminalized. Sometimes small traders destroyed properties including vehicles belonging to government as their retaliation.

The findings from interview with small traders indicated that small business vendors would be prepared to use any means possible to protect themselves. They used various strategies including staying in groups for ease of spotting the appearance of city *askaris*. According to them, the groups helped them to pin down city *askaris*. The group was prepared to use even confrontational means including fighting with law enforcers such as police and city militia. The fracas of 25th November 2003 whereby itinerant hawkers (*machinga*) engaged in heavy fights with city *askaris* is just one example. In that incidence, *machingas* used stones to defend themselves against city *askaris* who were trying to evict them from the city centre streets. Several properties including government vehicles were destroyed. City *askaris* reacted by beating small traders (*machinga*). They also disappeared with unaccounted merchandizes including food utensils used by *mama lishe* (*Majira* Wednesday 26th November, 2003).

In 1995, operators of unlicensed backyard garages at *Kidongo Chekundi* in Dar es Salaam vowed to slice with *pangas* any city militia who could attempt to evict them in the place where they were operating their unlicensed garages (sic).

In 2002 heavy fighting took place at *Mchikichini* small traders market between small traders and *spivs*. Again in 2002, another fracas erupted at Kariokoo streets between small traders and city militia in the wake of an attempt to clear them from the streets of *Msimbazi, Kongo, Tandamti* and Girls schools in Dar es salaam. All these events suggested the existing and potential tension between small traders and city authority.

Majority of small traders indicated that reporting to police (27.27%) was not the commonest used solution to them. However, it was not clear what sort of weapons small traders were using when encountering city militia or criminals although the researchers managed to spot a knife in one of the vendor's bag.

Table 6: Means of Protection Among Small Traders

Means of defence	Frequency	Percent (%)
Reporting to Authority	33	27.27
Fighting/other self defence	46	38.01
Staying with colleagues	34	28.09
Running away	18	14.87
Total	121	100.

Source: Computed from field data March/April 2003

Case 3: 'Taliano'

Two young men aged 26 and 28 years old respectively, who conducted their ventures at Darajani, Manzese area, revealed that they never depended on city askari or police to protect them and their properties. Normally what they did was to defend themselves using their own 'means' and sometimes resorted to fighting with anyone who endangered their properties or lives.

For example, one of the two young men nicknamed himself as 'Taliano' (28) said that last year (200), he had to fight with three *vibaka* who had the intention of robbing him. In this encounter, 'Taliano' managed to stab one *kibaka* on the shoulder. After seeing that, other two *vibaka* came to rescue their fellow who was bleeding at the time. Taliano had to resist by showing them a knife and declared that if they continued to come closer to him he would kill someone.

Fortunately Taliano was rescued by his fellow *machinga* who came to support him, and two of the thieves managed to escape, while the other one, who was injured, was rescued by the police who happened to be passing around that area.

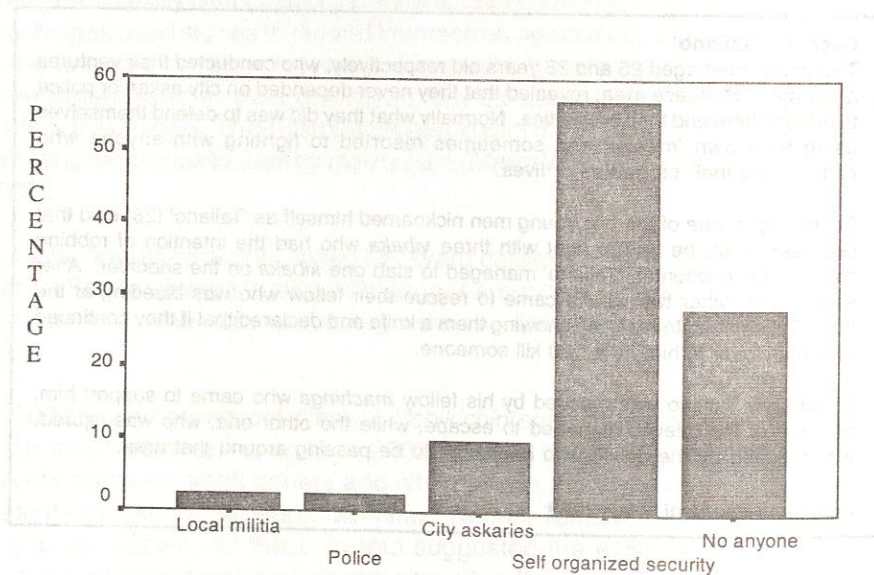
(Manzese Darajani, May 2003)

2.6 Entrepreneurs Would Prefer to Set Their Own Security Measures

Despite the fact that the law of the land precludes any body from establishing his own security force, the law is not well felt by entrepreneurs in Dar es Salaam. They seem to be disparate of the state security system. They see it as stumbling block towards their initiatives for their endeavours on poverty reduction. Entrepreneurs recognised all security measures in place including privately owned security troops. When asked to give their preference on what type and form of security organization they would prefer, majority stated that they would prefer the state to let them organize their own security system

and measures. Self organized security (56.9%), while *city askari* attracted (10%). *Figure 8* below reveals this reality from the findings. This attitude of small traders might have been resulted from the fact that they have lost faith and hope to *city askari* as it has been revealed elsewhere in this report. Thus, *city askari* were sometimes perceived to be criminals who endangered and destroyed the properties of small traders/entrepreneurs. Hence, they (*city askari*) were not welcomed by entrepreneurs when it came to the issue about who should protect their ventures.

Fig. 5: Security Measures in Place



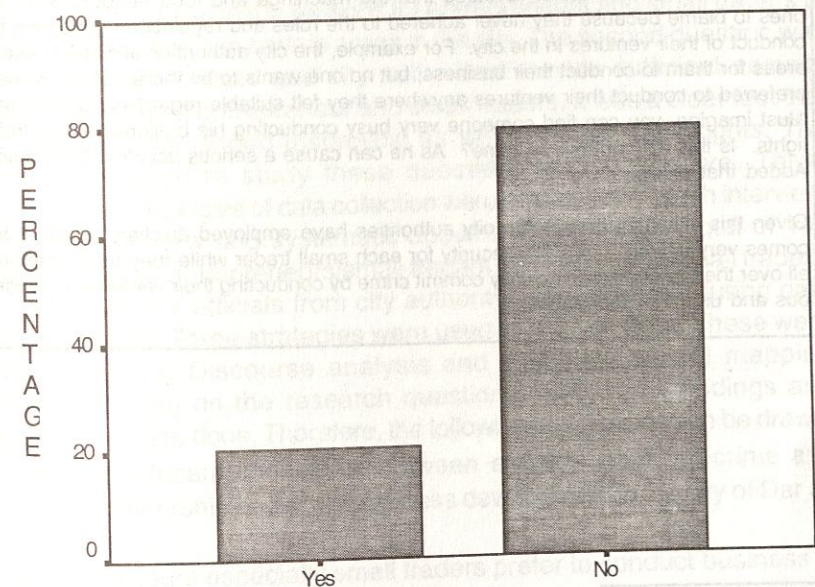
SECURITY SYSTEM AND MEASURES

2.7 Entrepreneurs and Small Traders Would not Consider Quitting Entrepreneurship due to Insecurity Problems.

Although the respondents were not fully prepared to explicate and reveal if they ever sustained any actual loss that could amount to demise of their ventures, they were hesitant to give their firm stand whether they were ready to quit the businesses⁸.

Majority of respondents would not consider quitting from entrepreneurship (79.2%) irrespective of the crime threat! Only (20.2%) indicated that they consider quitting and look for other alternatives including paid employment. That of course is not surprising because as it was revealed elsewhere in this report that entrepreneurship and small business were the only alternative for proprietors to earn livelihood. *Figure 9* below shows the situation.

Figure 6: Idea of quitting entrepreneurship due to insecurity problems



2.8 City Authority is Aware of the Security Problem in the City.

The interview with 7 city officials⁹ revealed that the authorities were aware of the insecurity and crime problems in the city. The close examination revealed that city authorities were alleging small traders as also being part of the problem, as most of them were not prepared to follow the procedure and regulations set out by City Councils concerned with the conduct of small businesses such as trading in designated areas.

As one official complained that:

"... these people (small traders) never adhere to the rules, look here, we show them that they should conduct their businesses in certain areas where we have put all the necessary facilities, but they do not want to be there, what should we do then, we fail to understand..."

Case 4: City Authority Officer and his Opinion on Small Business

One city official aged 49 years old revealed explicitly that City Authorities and police understand well the problem of crime and insecurity in the city of Dar es Salaam, not only to small traders but also to the public in general. "The city actually is facing this problem of insecurity and sometimes the lives and properties of citizens are lost", the official said.

However, the official further revealed that the machinga and food vendors were the ones to blame because they never adhered to the rules and regulations governing the conduct of their ventures in the city. For example, the city authorities allocated specific areas for them to conduct their business, but no one wants to be there. They normally preferred to conduct their ventures anywhere they felt suitable regardless of the rules. "Just imagine, you can find someone very busy conducting his business at the traffic lights. Is this not committing crime? As he can cause a serious accident by this act". Added that official.

Given this situation, though the city authorities have employed auxiliary police, it becomes very difficult to provide security for each small trader while they have scattered all over the city and some actually commit crime by conducting their ventures in dangerous and unauthorised places.

⁸See case 2 in this report.

⁹These were the only ones who were ready to cooperate with the researchers.

PART THREE: CONCLUSION AND RECOMMENDATION

3.1 Conclusion

The effort of reducing unemployment and absolute poverty among Tanzanian majority is faced by at least two contradictory trends. One is the increasing politisation of poverty reduction strategies and secondly is the rising level of crime and criminal acts especially in urban centres. In many towns of East Africa, crime and criminal acts are on the rise as revealed elsewhere in this report. These affect effort to reduce poverty as well as degrading quality of life in urban centres. Enormous efforts are needed to make these towns safer and habitable. While the crime and its impact on livelihood is not a new agenda, the discourse on the connection between crime and entrepreneurship is not sufficiently underpinned at least among researchers and bureaucrats.

The quest of this study was to investigate the intricate connection between crime and entrepreneurship and small business development. Dar es salaam city was purposely used as a case under investigation due to the fact that researchers felt the city was an ideal place where they could get an insight on the impact of crime on entrepreneurship and small business development. Two main research questions were advanced for investigation. The first question was to examine the reasons for entrepreneurs and small traders to conduct their ventures in certain areas in the city. The second question was to find out whether state and city authorities provide sufficient security measures to protect entrepreneur and small traders. It was a clear fact that both questions demanded theoretical as well as empirical insights. The approach adopted to study these questions was qualitative. Three methodological strategies of data collection were employed, in-depth interview, one-to-one interview and systematic documentary review. A total of 143 respondents (130 entrepreneurs/small traders, 6 leaders from small traders' associations and 7 officials from city authority) were covered during data collection survey. Three strategies were used to analyse data. These were content analysis, Discourse analysis and Cognitive causal mapping technique. Basing on the research questions, analysis of findings and interpretations were done. Therefore, the following conclusions can be drawn:

- There is intricate connection between escalating rate of crime and entrepreneurship and small business development in the city of Dar es Salaam.
- Entrepreneurs especially small traders prefer to conduct business in areas where they can facilitate voluminous sales of their merchandize.

- Personal factors do not matter much in the prosperity of small business in the city of Dar es Salaam.
- Entrepreneurs suffer losses of varied magnitude.
- People regard entrepreneurship and small business as a means of earning livelihood.
- There is inadequate institutional support for small traders; e.g. there are inadequate security measures instituted to protect entrepreneurs.
- City authority seems to be ready to assist entrepreneurship and small business development. However, entrepreneurs and small traders have to follow laid down regulations and procedures guiding the conduct of business in the city.

3.2 Recommendations and the Way Forward.

The following recommendations can be made to stakeholders of entrepreneurship and small business in the city of Dar es Salaam:

- In order for the city authority to maintain security in their areas of business, small traders and entrepreneurs need to adhere to the rules established such as to conduct their ventures in the allocated areas where the authorities have instituted facilities including security measures.
- Communication with rapport needs to be maintained between the city authorities and entrepreneurs in such a way that good understanding and the needs of both parties (city authorities and entrepreneurs) are understood to each other. This would help in maintaining peaceful environment in the areas of business. As well, the needs and suggestions such as where they need to conduct their ventures would be dealt with in a mutually agreed manner between city authorities and small traders.
- However, for this research to be more reliable, further research in this area is needed especially in other places apart from Dar es Salaam. The kinds of research which need to be done should be quantitative researches which will try to inform on the magnitude of the problem of crime on the development initiative of entrepreneurship and small business in Tanzania.

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APPENDIX A

INTERVIEW GUIDE FOR CITY OFFICIALS

Introduction:

The researchers are doing a research on the Impact of Crime on Entrepreneurship and Small business Development. Therefore, they would like to hear from you about the issues under investigation by asking the following questions.

- Q1 Are you aware of petty trading in the city?
- Q2 What are the popular areas in the city where small traders prefer to conduct their ventures? Why?
- Q3 Have you ever heard or received any report or complaint on crime committed against petty trader? What action did you take or was taken?
- Q4 What security measures does the city authority provide in the places where small traders conduct their ventures?
- Q5 What recommendations do you have in trying to tackle the problem of insecurity in the city of Dar es Salaam

SITUATIONAL ANALYSIS OF THE PLACE WHERE SMALL BUSINESS IS CONDUCTED	
Q8 Where in the city do you prefer to conduct your business?	1. City centre 2. Along the major roads 3. Specified and allocated area 4. Anywhere
Q9 Why do you prefer to conduct your business in such areas?	1. Most people prefer to come 2. Proximity to transport means 3. Customers can be found easily
TYPES AND FORMS OF SMALL BUSINESS CONDUCTED IN DAR ES SALAAM	
Q6 What kind of petty trading do you perform?	1. Food mongering 2. Selling sundry goods 3. Mumba trading
Q7 What are the motives for entering petty trading?	1. No other job 2. It pays more than other jobs

APPENDIX B

QUESTIONNAIRE ON THE IMPACT OF ENTREPRENEURSHIP AND SMALL BUSINESS DEVELOPMENT FOR SMALL BUSINESS UNDERTAKERS.

Introduction

This is a research on the Impact of Crime on Entrepreneurship and Small business development. It is prudent to hear from you about your experience in small business and how you have been affected by criminal behaviour committed at your business area. Circle any choice which satisfies your explanation.

DEMOGRAPHIC PROFILE

Q1. Sex	Q2. Age group	Q3. Marital status	Q4. What is the highest Education completed?
1. Male	1. (14 - 25) 2. (26 - 39) 3. Above 40	1. Married 2. Single 3. Divorced 4. Widowed	1. No schooling 2. Primary Education 3. Secondary Education 4. Above Secondary Education
Q5. How long have you been involving in petty trading?			
1. 1 - 5 years 2. 6 - 10 years 3. Above 10 years			

TYPES AND FORMS OF SMALL BUSINESS CONDUCTED IN DAR ES SALAAM

Q6. What kind of petty trading do you perform?	Q7. What are the motive for entering petty trading?	Q8. Have you ever undertaken any paid before?
1. Food mongering 2. Selling sundry goods 3. Mitumba trading	1. No. other job 2. It pays more than other jobs.	1. Yes 2. No

SITUATIONAL ANALYSIS OF THE PLACE WHERE SMALL BUSINESS IS CONDUCTED

Q9. Where in the city do you	Q10. Why do you prefer to conducting trading in such areas?
1. City centre 2. Along the major roads 3. Specified and allocated ares 4. Anywere	1. Most people prefer to come 2. Proximity to the major roads 3. Customers can be found anywhere

SECURITY MEASURES IN PLACE FOR ENTREPRENEURSHIP DEVELOPMENT		
Q11. To what extent insecurity Problems affect your business?	Q12. How do you define crime?	Q13. How do you define safety and security?
1. Very high 2. High 3. Not at all	1. Forceless robbery 2. Harassment by askari 3. Destruction of property 4. Snatching 5. Organised robbery	1. Sure of doing business anywhere 2. Protection by police 3. Protection from loss of properties and injuries.
Q14. What types and forms of crime have affected you in your business?	Q15. Whom ones are the most victims of criminal behaviour?	Q16. Who are perceived to be criminals?
1. Destruction of property 2. Grabbing of properties 3. Petty theft 4. Open robbery by spives and thugs 5. Ambush by thieves	1. Baba lishe 2. Mama lishe 3. Street vendors/machinga 4. Mitumba mongers 5. Any small trader	1. Local militia 2. Police 3. City askari 4. Any one 5. Difficult to tell
Q17. What specific security measures and systems are around your business area?	Q18. Comment on the strengths and weaknesses of the security measures found around your venture, if any.	
1. Police 2. Local militia 3. City askari 4. Self organized systems 5. Not any.		
Q19. What do you think the concerned authorities Should do to reduce insecurity problems? Are you Satisfied with their security measurers around Your venture?	Q20. How do you personally protect yourself against criminal behaviour?	
	1. Stay with colleagues 2. Hiring Militia 3. Never report just stay.	
Q21. Do you think of quitting from the small business if greatly affected by insecurity problems?		
1. Yes, to what occupation do you have in mind? 2. No		