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STATEMENT OF THE OFFICE OF THE TREASURER-GENERAL
ON THE OFFICE OF THE TG'S SPECIAL REPRESENTATIVE
IN EAST AFRICA

The idea of setting up a Central Finance Office for East Africa has long been mooted by the Office of the Treasurer-General. Such an office is necessitated by the vast sums of money the Movement spends and will continue to spend on the area not only in the sphere of building and construction work, but also in the agricultural, educational and other project areas, as well as on the maintenance and upkeep of our ever increasing population there.

As the custodian of the funds and other assets of the Movement, the Treasurer-General has the duty to evolve such structures, procedures etc as will ensure the safety and proper utilisation of such funds as assets, and the accountability of all persons who handle them. In discharging this task the Treasurer-General did, by letter dated 16th November, 1982 and addressed to the Directorate, set up the Office of the special Representative of the Treasurer-General in East Africa and appointed comrade Natie Marcus to be the incumbent of the post.

The appointment of comrade Natie Marcus was influenced not only by the vast wealth of experience the man has in financial matters but also by the report given at the Consultative Meeting held in November 1982 between the Mazimbu Secretariat and Headquarters, in Lusaka. According to the minutes of this meeting (See page 5 para. 3):

"The meeting was informed that conditions in the Regional Treasury (at Mazimbu) were chaotic. No proper accounts were being kept nor was there any proper control over the funds of the Movement. No financial statements have been prepared since April 1981. This state of affairs prevailed because the Regional Treasurer had far too much to do. The urgent need for Comrades Natie and Ben to join Mazimbu was expressed!"

(This assessment of the position in Mazimbu was substantially confirmed, with varying degrees of emphasis, by comrades Natie (See his reports particularly the one dated 15th January 1983), Tete, and recently the Mazimbu Secretariat in their report on Comrade Natie dated 22nd March 1983 at page 3.)

The Consultative Meeting went further than just point out the sorry state of things at the Mazimbu Treasury. It suggested certain remedies. A special Representative of the Treasurer-General for the area had to be appointed. His functions were even defined albeit briefly!

"This person will be in charge of the finances of the whole of East Africa. Funds shall be sent from Headquarters to the T-G's Representative who will Coordinate all financial matters with the Regional Treasurer and other departments.

Financial statements will go to the T-G's Representative who will pass them on to the Headquarters".

The Treasurer's General letter written a week after the Consultative Meeting embodies most of the suggestions which were put forward there.

Because it was anticipated that much of the work of the special Representative of the T.G.'s would be in Mazimbu he was made a member of the Directorate. His tasks and responsibilities were set out. He was to

- "(b) Examine every aspect of financial management of projects and all other sectors in East Africa and report to the Office of the T.G.;
 - (c) Create proper financial structures for projects and Regional Treasury Offices (Dar, Mazimbu and eventually Dakawa) and implement directives from Headquarters in this respect;
 - (d) Set up a simple and proper accounting and management system for all projects run by the organisation;
 - (e) Examine all Regional Treasury Offices in East Africa and set up structures in keeping with Directives from Headquarters;
 - (f) Set up a Central Finance Office with a Secretariat which shall deal with all financial transactions and monitor all projects connected with East Africa;
 - (g) The Office of the special Representative of the T.G shall submit regular reports and recommendations to HQ stating how to strengthen the various structures that have been created by it;
 - (h) In addition to his various tasks as outlined above, he shall liaise with the office of the T.G on relevant matters concerning his tasks;
 - (i) Before comrade Natie executes his tasks he shall have a full discussion with the Directorate;
2. (a) Comrade Doodles Gaboo as Regional Treasurer shall still serve on the Directorate and shall carry out the duties outlined in the structures for Regional Treasuries;
- (b) The Dar-Es-Salaam Regional Treasury Office shall function as outlined in the Structures for Regional Treasurers and comrade Doodle^s shall hereby be relieved from this office";

Para 2 of the T.G.'s letter does not really deal with the tasks of the Special Representative. It was inserted here to address our minds to what then appeared to be the root cause of the "chaotic" state of affairs at the Mazimbu Treasury. The idea was to relieve the Mazimbu Regional Treasurer of the extra burden of having to look after Dar-Es-Salaam treasury matters as well.

The Office of the Special Representative of the Treasurer-General in East Africa did not get off to a good start. Personality clashes soon flared between the incumbent and some members of the Directorate. Soon after his arrival comrade Natie reported on the state of affairs as he saw it. He also complained that he was obstructed in the execution of his tasks by the Mazimbu Secretariat.

In response to these and other allegations in Comrade Natie's reports the office of the Treasurer General appointed Comrades Kay and Temba to investigate things.

In discussions held with the Directorate not only on the allegations made by comrade Natie about the state of affairs in Mazimbu but also on the office of the Special Representative of the Treasurer-General in East Africa it soon became clear to the delegation that the tasks and responsibilities of this office were not fully understood by the Directorate.

At the instance of the Directorate it was agreed to spell out in detail how this office was to function. Comrades Kay and Temba then prepared the document entitled!

Office of the Special Representative of the Treasurer General;
Amplification of the Scope, Tasks and Powers Set Out in the T-G's
Directive.

The document was presented for discussion to the Directorate at the meeting held on 11th February, 1983.

The document deals with the following matters:-

- (a) Personnel Requirements of the office;
- (b) Functions of the Special Representative;
- (c) Administration of Projects;
- (d) Regional Treasuries;
- (e) Relationship with Mazimbu Secretariat;
- (f) Banking;
- (h) Transport and Mechanical Workshop.

Excluded from the final draft was a section on Logistics and supplies.

In preparing this document great care was taken to ensure that it did not depart from the TG's directive and that no new or extraneous issues were raised. Because the document sought to amplify the TG's directive it included "new" clauses which were implied in the TG's directive. For instance the TG's directive is silent on the question of banking. However it stands to reason that the office of the Special Representative of the TG which is to handle millions of Tanzania shillings must have a bank account or accounts.

The first clear indication that some members of the Directorate were completely opposed to the creation of this office emerged when this document was presented. To quote comrade Temba at page 5 of his report:

"To our amazement the key members of the directorate took the view that .

- (a) We had come up with a new structure that caused an overlapping of functions (for instance the directorate had set up a finance committee whose tasks were similar to those of the office of the TG's Special Representative)
- (b) That the document cut across all existing structures and did not clearly define the relationship between the office we sought to set up and the administrative structures in operation in Mazimbu;
- (c) That the document aimed at decentralising Financial administration whereas the directorate, over time, had attempted to centralise financial arrangement management;
- (d) That the proposed arrangement rendered the office of the Regional Treasury redundant;
- (e) That in their opinion the office of the Special Representative of the TG was intended to strengthen the existing structures and not to carve them up;

- (f) That in these premises and for the reasons stated above the document was either unacceptable or needed further discussions not only by the directorate but also by the directorate and HQ in a joint meeting".

In their latest word on the matter the Mazimbu Secretariat refutes these sentiments. The last paragraph of their report on Natie Marous reads!

"We would like to draw attention to the minutes of the Special Directorate meeting held with Cdes Moonsamy and LUXOMO on February 9, 1983. Some of our views and feelings are contained in those minutes.

Also contained in those minutes are our preliminary response to the Report prepared by Cdes Moonsamy and LUXOMO on the role of the Treasurer-General's Special Representative.

If implemented, any increase in the powers of the Special Representative would cut across present structures and nullify the effectiveness of the Directorate. We want this to be crystal clear and would request a meeting with the NWC at the earliest opportunity to explain our position".

What are the provisions of this amplifying document? How does it depart from the TG's directive? In what way does it "increase" the powers of the Special Representative of the TG's? How could it "nullify the effectiveness of the Directorate" or even render the office of the Regional Treasurer redundant?

To answer these and other questions let us refer to the "Functions" clause of this document and contrast it with the provisions of the TG's directive.

As will be readily seen paragraphs (a), (b), (c), (d) (h) and (i) of the Functions Clause of the Amplifying document are a word for word reproduction of para 1 (b), (c), (d), (e) (g) and (h) of the TG's directive.

Para 1 (f) of the directive provides -

"Set up a Central Finance Office with a Secretariat which shall deal with all financial transactions and monitor all projects connected with East Africa".

There are two tasks embodied in this paragraph. First the Special Representative of the TG's is called upon to set up a Central Finance Office to which, as the Consultative Meeting recommended, all funds for the area will be remitted. Second he is called upon to "monitor all projects connected with East Africa".

All that the amplifying document has done is to split this one para into two paragraphs. These are paragraphs (e) and (f) of the amplifying document.

It has been argued that the amplifying document purports to decentralise financial management whereas the Directorate has over time managed to centralise it and in support of this argument vague references are made to paragraphs (f) and (g) of the Functions clause.

We fail to see how the creation of a Central Finance Office can ever be construed as decentralisation. What we want to ensure is financial discipline and budgetary control. To this end it is necessary to get all departments and sectors in Mazimbu to have their own budgets. Allocation of monies to these departments has to be done in an orderly and efficient manner -- according to their approved budget requirements.

Paragraph (j) of the Functions clause embodies the views of the participants at the Consultative Meeting.

All in all we fail to see how the amplifying document has "increased" the authority of the Special Representative of the TC's. If anything at all it has stuck to the provisions of the TC's directive.

If the amplifying document "cuts across existing structures" and "nullifies the effectiveness of the Directorate", the same could be said, with equal weight, of the TC's directive! But the Directorate has skilfully refrained from attacking the TC's letter itself. Why? Obviously because it is a directive from above. By contrast they energetically opposed the amplifying document even calling it "unacceptable" because it did not come direct from the TC. Clearly here it is a question of the singer and not the song.

In a way one can understand the Mazimbu Secretariat's opposition to the setting up of the Office of the Special Representative of the TC in East Africa: it will take from the directorate some of the Treasury functions it has taken upon itself.

The whole administrative apparatus for Mazimbu is the brainchild of the Director. It is true to say that he evolved this in the light of the objective conditions he found there. At all relevant times he informed Headquarters about the changes he was introducing (See his Memos D/SOMAFCO/05/06/07). He went about setting up Committees to help him administer the Complex. In setting up these committees the Director did not take into full account certain structures which the Office of the Treasurer-General had created for Treasury matters. The upshot of this is that he created for Treasury structures which are parallel to well tried and established ones.

For example on 7th September 1980 the Office of the Treasurer-General created Regional Treasury structures for all regions. Clause A of this document reads:

"The Office of the Treasurer-General shall constitute a Regional Treasury comprising the following:

1. Regional Treasurer
2. Deputy Regional Treasurer
3. Regional Administrative Secretary
4. Regional Logistics Section
5. Regional Transport Section
6. Regional Supplies Section
7. Regional Welfare Section

Paragraph C of this document deals with the functions of the Regional Treasurer. Of particular note in this connection are clauses (i) to (iv).

These clauses make it clear that the Treasurer-General's Office will exercise control over the operations of all the sections of Regional Treasuries.

Of the Committees set up by the Director, the following obviously deal with Treasury matters:

- (i) Finance Committee
- (ii) Construction Committee
- (iii) Farm Committee
- (iv) Dakawa Committee
- (v) Projects Committee
- (vi) Logistics Committee
- (vii) Transport Committee
- (viii) Catering and Supplies Committee
- (ix) Housing Committee

There was never any direct consultation with the Office of the Treasurer-General before these committees were set up. Neither was the Regional Treasury at Mazimbu fully staffed to operate in terms of the structures for Regional Treasuries when the Director took office.

In these circumstances it was quite enterprising of the Directorate to come up with these committees.

And so when the Office of the Treasurer-General set up the office of the Special Representative of the TG in East Africa, there already existed in Mazimbu the various Treasury Committees the Directorate had set up.

It is these structures that the office of the TG's Special Representative is supposed to "cut across".

Structures are not immutable and eternal precepts to be followed mechanically. Their continued observance is justified only by their continued effectiveness. In the not too distant past when we talked of the East African Region we had in mind the Dar-ES-Salaam office. Now we have Mazimbu and in the near future we shall have Dakawa. It was with the rapid growth of this area in mind that the Office of the Treasurer-General first thought of the Office of the Special Representative of the TG in East Africa to coordinate all Treasury matters in the area. All settlements which spring up in the area will continue to have their own Regional Treasuries. All these will fall under the Office of the TG's Special Representative.

Strictly speaking the TG's Special Representative should not have been a member of the Administrative Structure at Mazimbu for two reasons:

First he is a Representative of HQ in East Africa whereas the Mazimbu Secretariat is a more localised body concerned largely with Mazimbu (for the time being Dakawa is administered from Mazimbu).

Second his work is not confined to Mazimbu but covers the whole of East Africa.

However because we did not want to confer much power on one person we made him a member of the Directorate in the hope that he would work well with this body, and also because, for the present, Mazimbu is where he will spend most of his time.

As far as the Office of the Treasurer-General is concerned it is absolutely assential to have the Office of the Special Representative of the TG in East Africa (Just like we have such an office for the UK) for the following reasons:-

- (a) The rapid growth of our community in East Africa;
- (b) The vast sums of money spent in the area; area;
- (c) The need to co-ordinate all Treasury work in the scattered settlements we have in East Africa;
- (d) The need to be kept informed about the progress of the various projects in the area;
- (e) The need to exercise financial discipline over all departments and sectors that handle funds in East Africa;
- (f) The need to relieve the Mazimbu Regional Treasury of some of the tasks he presently has to discharge and which are not part of his normal tasks as Regional Treasurer.

We hold no particularly strong views regarding his position vis a vis the Directorate as long as he is placed in such a position as will enable him to discharge his responsibilities, as set out in the TG's directive read with the amplifying document, effectively.

Lusaka.

Dated: 19/04/83.