

Task:

1. What are the main steps to speed up the economic growth?
2. Develop the idea of each of these steps.
3. If you were the president what would you do to uproot the corruption.

2.16. HOW TO REDUCE CORRUPTION (From the magazine Economic Reform Today)

- Government can increase wage levels and introduce pay bonuses for discovering corrupt behaviour.
- Ethical codes can be introduced that raise the moral satisfaction for ethical behaviour and the moral cost of corrupt behaviour.
- The opportunities to receive bribes can be diminished by reducing a public official's monopoly power.
- Employing a system of information to increase the probability of catching corrupt officials.
- Stiff penalties can be imposed if an official is caught.

2.17. A HUB FOR REGIONAL TRADE

Tanzania connects East and Central Africa to the rest of the world – and is a natural bridgehead for global trade. A quick glance at a map reveals why: the country is a transshipment point for six neighbouring countries. Turning the benefits of geography into economic growth requires rapid **INFRASTRUCTURE** development.

Privatization awaits Air Tanzania, the state – owned airline. It supports a domestic and regional trade structure, serving the main Tanzanian cities and neighbouring countries. The government is looking for new investors to acquire between 51 and 75% of the company.

On the ground, the Integrated Road Program is under way to improve and **UPGRADE** the existing networks. The reconstruction which began in 1995, aims to bring 80% of trunk roads to good condition by the end of the decade.

The port itself handles some 500 deep-sea vessels each year. Substantial recent investment means that the port has a capacity of 4 million tons of dry cargo per year. A 30.000 ton grain **SILO** has been built. The oil **JETTY** has been **REHABILITATED** to take tankers of 40.000 tons. Cranes with a 7-ton capacity handle